

in which event returns shall be made on or before the 15th day of the third month following the approval of this Act."

SEC. 2. Subsection (a) of section 26 of title II of said Act approved July 26, 1939, is hereby amended to read as follows:

"SEC. 26. (a) TIME OF PAYMENT.—One-half of the total amount of the tax imposed by this title shall be paid on the 15th day of April following the close of the calendar year and the remaining one-half of the tax shall be paid on the 15th day of October following the close of the calendar year, or, if the return be made on the basis of a fiscal year, then one-half of the total amount of the tax imposed by this title shall be paid on the 15th day of the fourth month following the close of the fiscal year and the remaining one-half of said tax shall be paid on the 15th day of the tenth month following the close of the fiscal year, except a fiscal year which expired in the calendar year 1939 prior to the approval of this Act, in which event the tax shall be paid on the 15th day of the third month following the approval of this Act."

SEC. 3. Title VI of said Act approved July 26, 1939, is hereby amended by striking out "June 30, 1940" and inserting in lieu thereof the words "June 30, 1942".

SEC. 4. Section 4 (c) of such Act (relating to exclusions from gross income) is amended by adding at the end thereof the following:

"(10) Payments of benefits made to or on account of a beneficiary under any of the laws relating to veterans."

Approved, March 2, 1940.

53 Stat. 1099.
20 D. C. Code,
Supp. V, § 980y.

Time of payment.

If return made on
basis of fiscal year.

53 Stat. 1118.
20 D. C. Code,
Supp. V, § 971a.
Advances from
Treasury.

Exclusions from
gross income.

53 Stat. 1088.
20 D. C. Code,
Supp. V, § 980c (c).

Veterans' benefit
payments.

[CHAPTER 38]

AN ACT

To aid the States and Territories in making provisions for the retirement of employees of the land-grant colleges.

March 4, 1940
[S. 1850]

[Public, No. 422]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, pursuant to the recognized obligations of governments to guarantee the social security of their employees and in order to provide for the retirement on an annuity, or otherwise, of all persons being paid salaries in whole or in part from grants of Federal funds to the several States and Territories pursuant to the terms of the Act approved July 2, 1862, for the endowment and support of colleges of agriculture and mechanic arts, and Acts supplementary thereto providing for instruction in agriculture and mechanic arts, for the establishment of agricultural experiment stations, and for cooperative extension work in agriculture and home economics, all States and Territories are hereafter authorized, notwithstanding any contrary provisions in said Acts, to withhold from expenditure, from Federal funds advanced under the terms of said Acts, amounts designated as employer contributions to be made by the States or Territories to retirement systems established in accordance with the laws of such States or Territories, or established by the governing boards of colleges of agriculture and mechanic arts in accordance with the authority vested in them, and to deposit such amounts to the credit of such retirement systems for subsequent disbursement in accordance with the terms of the retirement systems in effect in the respective States and Territories: *Provided,* That there shall not be deducted from Federal funds and deposited to the credit of retirement accounts

Retirement of em-
ployees of land-grant
colleges.
Withholding of em-
ployer contributions.

12 Stat. 503.
7 U. S. C. §§ 301-
308.

Deposits for subse-
quent disbursement.

Provisos.
Employer contribu-
tions, limitation.

Proportion of Federal advances in employee retirement systems.

State, etc., matching of funds of Federal origin.

Salaries paid wholly by States, etc.

Employees subject to U. S. Civil Service Retirement Act.
41 Stat. 614.
5 U. S. C. §§ 691-738; Supp. V, §§ 693-736b.

as employer contributions, amounts in excess of 5 per centum of that portion of the salaries of employees paid from such Federal funds: *Provided further*, That, for the purpose of making deposits and contributions in retirement systems in favor of any employee, in no event shall the deductions from any Federal fund advanced pursuant to the foregoing Acts be in greater proportion to the total deductions for such employee than the salary received under such Federal funds bears to the total salary from Federal sources: *Provided further*, That the deposits and contributions from funds of Federal origin to any retirement system established by a State or a land-grant college must be at least equaled by the total contributions thereto on the part of the individuals concerned, the State, and the counties: *And provided further*, That no deductions for the foregoing purposes shall be made from Federal funds in support of employees appointed pursuant to the terms of the foregoing Acts, whose salaries are paid wholly by the States or Territories: *Provided further*, That the provisions of this Act shall not apply to any employee paid in whole or in part from Federal funds who may be subject to the United States Civil Service Retirement Act, as amended.

Approved, March 4, 1940.

[CHAPTER 39]

AN ACT

March 4, 1940

[S. 1935]

[Public, No. 423]

To extend until March 4, 1944, the time during which petitions may be filed by farmers under section 75 of the Bankruptcy Act.

Bankruptcy Act of 1898, amendments.
47 Stat. 1471.
11 U. S. C. § 203(e); Supp. V, § 203 (e).

Insolvency petition, time limitation for filing.

Schedules to accompany.

47 Stat. 1473.
11 U. S. C. § 203(r); Supp. V, § 203 (r).
"Farmer" construed.

Residence.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 75 (c) of the Act entitled "An Act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended, is amended to read as follows:

"(c) At any time prior to March 4, 1944, a petition may be filed by any farmer, stating that the farmer is insolvent or unable to meet his debts as they mature, and that it is desirable to effect a composition or an extension of time to pay his debts. The petition or answer of the farmer shall be accompanied by his schedules. The petition and answer shall be filed with the court, but shall, on request of the farmer or creditor, be received by the conciliation commissioner for the county in which the farmer resides and promptly transmitted by him to the clerk of the court for filing. If any such petition is filed, an order of adjudication shall not be entered except as provided hereinafter in this section."

SEC. 2. Section 75 (r) of such Act is amended to read as follows:

"(r) For the purposes of this section and section 4 (b) the term 'farmer' includes not only an individual who is primarily bona fide personally engaged in producing products of the soil, but also any individual who is primarily bona fide personally engaged in dairy farming, the production of poultry or livestock, or the production of poultry products or livestock products in their unmanufactured state, or the principal part of whose income is derived from any one or more of the foregoing operations, and includes the personal representative of a deceased farmer; and a farmer shall be deemed a resident of any county in which such operations occur."

Approved, March 4, 1940.