Correspondence: Aston, Albert United Penn Bank Building, 1972 September-October (recipient)

October 5, 1972

Albert Aston, Esquire
United Penn Bank Building
Wilkes-Barre, Pa. 18701

Dear Albert:

In accordance with my conversation with you yesterday, I enclose herewith Xerox copy of a letter from Senator Scott and Senate Bill 3971 introduced by him to exclude the $5000 forgiveness from gross income.

I shall be in touch with you when I get back next week.

Sincerely,

MAX ROSENN

MR:cjr

Enclosures

HUGH SCOTT
PENNSYLVANIA

MARTIN G. HAMBERGER
ADMINISTRATIVE ASSISTANT

EDITH V. SKINNER
EXECUTIVE ASSISTANT

United States Senate
WASHINGTON, D.C. 20510

September 20, 1972

Honorable Max Rosenn
United States Court of Appeals
Third Circuit
Federal Building
Wilkes-Barre, Pennsylvania 18701

Dear Max:

Enclosed you will find a copy of a bill which I introduced on September 8, 1972 to provide that the SBA forgiveness would be tax free. It was a pleasure to work with you in this effort.

With every good wish,

Sincerely,

Hugh

Hugh Scott
United States Senator

HS:rp
Enclosure

92D CONGRESS
2D SESSION

S. 3971

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 8, 1972

MR. SCOTT introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1954 so as to exclude from gross income amounts of disaster relief loans canceled pursuant to laws of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 108 of the Internal Revenue Code of 1954 (relating to income from discharge of indebtedness) is amended by adding at the end thereof the following new subsection:

"(c) DISASTER RELIEF LOANS.—No amount shall be included in gross income by reason of the discharge, in whole or in part, of a loan made to the taxpayer on or after January 1, 1972, under any law of the United States providing loans on account of property loss, damage, or injury resulting from a major disaster occurring in an area determined by the President to warrant disaster assistance by the Federal Government under the Disaster Relief Act of 1970 (or any successor law), if such discharge is pursuant to the provisions of the law under which the loan is made or any other law of the United States. Subsection (a) shall not apply with respect to any discharge of indebtedness to which this subsection applies."

(b) The amendment made by subsection (a) shall apply to taxable years ending on or after January 1, 1972.

92D CONGRESS
2D SESSION

S. 3971

A BILL

To amend the Internal Revenue Code of 1954 so as to exclude from gross income amounts of disaster relief loans canceled pursuant to laws of the United States.

By Mr. SCOTT

SEPTEMBER 8, 1972

Read twice and referred to the Committee on Finance