

JULY 20, 1979

96th CONGRESS
1st SESSION

H. R. _____

IN THE HOUSE OF REPRESENTATIVES

Mr. LOWRY introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Internal Revenue Code of 1954 to provide that a refundable credit shall be allowed with respect to individuals who were interned by the United States during World War II, and to allow such individuals and certain of their relatives to designate that their income tax payments shall be placed in a trust fund which is reserved for funding such credit and for educational and other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

shud have reasons providing for redress.

Excludes Nikkei who were not interned or are not heirs of former camp inmates from right to have their inc. taxes placed into trust fund.

Does nothing for those who moved to Spokane at own expense.

SECTION 1. SHORT TITLE.

This Act may be cited as the "World War II Japanese-American Human Rights Violations Redress Act".

SEC. 2. CREDIT FOR CERTAIN INDIVIDUALS INTERNED DURING WORLD WAR II.

(a) IN GENERAL.--Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by inserting after section 44C the following new section:

"SEC. 44D. CREDIT FOR CERTAIN INDIVIDUALS INTERNED DURING WORLD WAR II.

"(a) ALLOWANCE OF CREDIT.--In case of an eligible individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the lesser of--

"(1) 25 percent of the redress amount, or

"(2) an amount which, when added to the amounts of such redress amount which have been allowed as a credit under this section for all prior taxable years, does not exceed such redress amount.

"(b) REDRESS AMOUNT.--For purposes of this section, the term 'redress amount' means, with respect to an interned individual, the greater of--

"(1) \$13,700, or

"(2) an amount equal to \$15 multiplied by the

Why this limitation will prevent Issei from collecting 100% of redress amount! Issei are in their 70s and 80s. Add needless complication.

Why these figures? Totals are far too small.

number of days such individual was interned during World War II by the United States.

"(c) OTHER DEFINITIONS.--For purposes of this section--

"(1) INTERNED INDIVIDUAL.--The term 'interned individual' means any individual--

"(A) who is of Japanese ancestry, and

"(B) who, while a citizen of the United States or an alien lawfully admitted to the United States for permanent residence, was interned at any time during World War II by the United States pursuant to--

"(i) Executive Order 9066, dated February 14, 1942,

"(ii) section 67 of the Act entitled 'An Act to provide a government for the territory of Hawaii', approved April 30, 1900 (31 Stat. 153),

"(iii) Executive Order 9489, dated October 18, 1944,

"(iv) sections 4067 through 4070 of the Revised Statutes of the United States, or

"(v) any other statute, rule, regulation, or order.

"(2) ELIGIBLE INDIVIDUAL.--

"(A) IN GENERAL.--The term 'eligible individual' means any individual--

Human rights violation applied to all victims of E.O. 9066. Redress should not be limited by citizenship or type of entry into U.S.

"(i) who is an interned individual or who is treated as an eligible individual under subparagraph (B), and

"(ii) in the case of an individual who has an income tax liability for the previous year who makes the designation under section 6097 (relating to designation of income tax payments to be used for Japanese-American Trust Fund) for the taxable year.

"(B) CERTAIN RELATIVES TREATED AS ELIGIBLE

INDIVIDUALS IF INTERNED INDIVIDUAL IS DECEASED.--An individual (hereinafter in this paragraph referred to as the 'claimant individual') shall be treated as an eligible individual with respect to the redress amount of an interned individual for the taxable year if--

"(i) the interned individual is deceased at the close of the taxable year of the claimant individual, and

"(ii) the claimant individual is described in a clause of subparagraph (C) which as a number designation which is not higher than the number designation of any other clause of subparagraph (C) in which any other individual is described with respect to the interned individual.

"(C) ELIGIBLE RELATIVES.--For purposes of

*Needless
confusion!*

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subparagraph (B), individuals described in the following clauses may be treated as claimant individuals with respect to the redress amount of an interned individual:

"(i) the spouse of the interned individual (determined as of the date of the interned individual's death),

"(ii) a son or daughter of the interned individual,

"(iii) the father or mother of the interned individual, and

"(iv) any brother or sister of the interned individual.

"(3) WORLD WAR II.--The term 'World War II' means the period beginning on December 7, 1941, and ending on December 31, 1946.

"(4) INTERNED.--The term 'interned' includes detained.

"(d) SPECIAL RULES.--For purposes of this section--

"(1) ALLOCATION OF CREDIT AMONG CLAIMANTS.--In any case in which there is more than one eligible individual with respect to the redress amount of an interned individual for any period--

"(A) the credit allowable under this section

What is order of priority? All 4 classes should not be treated as equal in ~~the~~ right to claim.

Some were interned until 1952.

shall be computed by treating all such eligible individuals as 1 taxpayer, and

"(B) each such eligible individual shall be allowed his pro rata portion of the credit so computed for such period.

"(2) VERIFICATION.--

"(A) STATUS AS ELIGIBLE INDIVIDUAL MUST BE VERIFIED.--The credit allowable by this section shall be allowed to an eligible individual only if the eligibility is established to the Secretary by such individual by a preponderance of the evidence.

"(B) VERIFICATION BY RECORDS OR AFFIDAVITS.--For purposes of determining whether an individual is an eligible individual and the period of time during which an individual is interned, the Secretary shall to the extent possible rely on the records of the Wartime Civil Control Administration and of the War Relocation Authority in the National Archives and Records Service. Where such records are missing, incomplete, or their accuracy is in serious question, the Secretary may rely on affidavits provided by claimants and other individuals in addition to other documents.

"(3) CREDIT NOT TAKEN INTO ACCOUNT IN DETERMINING FEDERAL BENEFITS OR ASSISTANCE.--Any refund made to any

Govt. has most necessary records & evaluate with task of being proof. Sign request should be enough for Govt to check applicants eligibility. Govt.

individual by reason of this section shall, to the extent such refund does not exceed \$5,000 in any year, not be taken into account as income or receipts for purposes of determining the eligibility, for the month in which such refund is made or any month thereafter, of such individual or any other individual for benefits or assistance, or the amount or extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds, but only if such individual (or the family unit of which such individual is a member) is a recipient of benefits or assistance under such a program for the month before the month in which such refund is made.

Entire time
amount should
be treated like
Medicare reimbursement.
No \$5000 limit.

"(4) ALLOCATION OF CREDIT WHERE AMOUNT IN JAPANESE-AMERICAN TRUST FUND IS INADEQUATE TO FUND CREDIT.--

"(A) IN GENERAL.--If, for any taxable year, the amount in the Japanese-American Trust Fund (established by section 4 of the World War II Japanese-American Human Rights Violations Redress Act) are inadequate to fund the total amount of credit allowable under subsection (a) for such year, the credit under subsection (a) shall be allowed to the following individuals in the following order:

"(i) interned individuals who are disabled

or who have attained age 65,

"(ii) interned individuals who have attained age 50,

"(iii) all interned individuals, and

"(iv) all eligible individuals.

"(B) ALLOCATION WITHIN CATEGORIES.--If, for any taxable year, the amount in the Japanese-American Trust Fund is inadequate to fund the total amount of credit allowable under subsection (a) for such year to individuals described in any one clause of subparagraph (A), the amount of credit allowable to any such individual for such year shall be reduced by the same proportion as the amount in such Trust Fund bears to the amount necessary to fully fund the credit under subsection (a) to all such individuals.

"(e) REGULATIONS.--The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section."

(b) TECHNICAL AND CONFORMING AMENDMENTS.--

(1) Paragraph (2) of section 55(b) of such Code (defining regular tax) is amended by striking out "and 43" and inserting in lieu thereof ",43, and 44D".

(2) Subsection (c) of section 56 of such Code (defining regular tax deduction) is amended by striking out "and 43" and inserting in lieu thereof "43, and

This will reduce total of redress to evacuees. No provision for allowing additional credit in subsequent years to make up shortage.

44D''.

(3) Subsection (b) of section 6401 of such Code (relating to amounts treated as overpayments) is amended--

(A) by striking out "'and 43 (relating to earned income credit)'" and inserting in lieu thereof "'43 (relating to earned income credit), and 44D (relating to credit for certain individuals interned during World War II)''", and

(B) by striking out "'39, and 43'" and inserting in lieu thereof "'39, 43, and 44D''".

(4) Subsection (e) of section 6611 of such Code (relating to interest on overpayments) is amended by adding at the end thereof the following new sentence: "In the case of an overpayment any portion of which is attributable to the credit allowed under section 44D (relating to credit for certain individuals interned during World War II), the preceding sentence shall be applied to such portion by substituting '2 years' for '45 days' each place it appears."

(c) CLERICAL AMENDMENT.--The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 44C the following new item:

"Sec. 44D. Credit for certain individuals interned during World War II."

(d) EFFECTIVE DATE.--The amendments made by this section shall apply to taxable years beginning after December 31, 1979.

SEC. 3. DESIGNATION OF INCOME TAX PAYMENTS TO JAPANESE-AMERICAN TRUST FUND.

(a) IN GENERAL.--Subchapter A of chapter 61 of the Internal Revenue Code of 1954 (relating to returns and records) is amended by adding at the end thereof the following new part:

"PART IX--DESIGNATION OF INCOME TAX PAYMENTS TO BE USED FOR
JAPANESE-AMERICAN TRUST FUND

"Sec. 6097. Designation by eligible individuals.

"SEC. 6097. DESIGNATION BY ELIGIBLE INDIVIDUALS.

"(a) IN GENERAL.--Every eligible individual (as defined in section 44D(c)(2) may designate that all (and not less than all) of the income tax liability of such individual for such year shall be deposited in the Japanese-American Trust Fund established by section 4 of the World War II Japanese-American Human Rights Violations Redress Act.

"(b) INCOME TAX LIABILITY.--For purposes of subsection (a), the income tax liability of an individual for any taxable year is the amount of the tax imposed by chapter 1 on such individual for such taxable year (as shown on his

return), reduced by sum of--

"(1) the sum of the credits (as shown on his return) allowable under sections 33, 37, 38, 40, 41, 42, 44, 44A, 44B, and 44C, plus

"(2) any amount (or amounts) designated under section 6096 for the taxable year.

"(c) MANNER AND TIME OF DESIGNATION.--A designation under subsection (a) may be made with respect to any taxable year--

"(1) at the time of filing the return of the tax imposed by chapter 1 for such taxable year, or

"(2) at any other time (after the time of filing the return of tax imposed by chapter 1 for such taxable year) specified in regulations prescribed by the Secretary.

Such designation shall be made in such manner as the Secretary prescribes by regulations except that, if such designation is made at the time of filing the return of the tax imposed by chapter 1 for such taxable year, such designation shall be made either on the first page of the return or on the page bearing the taxpayer's signature."

(b) CLERICAL AMENDMENT.--The table of parts for such subchapter A is amended by adding at the end thereof the following new item:

"Part IX. Designation of income tax payments to be used for Japanese-American

Trust Fund.''

(c) EFFECTIVE DATE.--The amendments made by this section shall apply to taxable years beginning after December 31, 1979.

SEC. 4. ESTABLISHMENT OF JAPANESE-AMERICAN TRUST FUND.

(a) CREATION OF TRUST FUND.--There is hereby established in the Treasury of the United States a trust fund to be known as the ''Japanese-American Trust Fund'' (hereinafter in this section referred to as the ''Trust Fund''), consisting of such amounts as may be appropriated or credited to the Trust Fund as provided in this section.

(b) TRANSFER TO TRUST FUND OF AMOUNTS EQUIVALENT TO CERTAIN TAXES.--

(1) IN GENERAL.--There are hereby appropriated to the Trust Fund amounts determined by the Secretary of the Treasury (hereinafter in this section referred to as the ''Secretary'') to be equivalent to the amounts designated under section 6097 of the Internal Revenue Code of 1954.

(2) METHOD OF TRANSFER.--The amounts appropriated by paragraph (1) shall be transferred at least monthly from the general fund of the Treasury to the Trust Fund on the basis of estimates made by the Secretary of the amounts referred to in paragraph (1) received by the Treasury. Proper adjustments shall be made in the

amount subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(c) MANAGEMENT OF TRUST FUND.--

(1) BOARD OF TRUSTEES.--

(A) MEMBERSHIP.--The Trust Fund shall be managed by a board of trustees consisting of 9 members. Such members shall be appointed by the President of the United States upon the advice and consent of the Senate.

(B) COMPENSATION AND TRAVEL EXPENSES.--The members of the board of trustees shall serve without pay. While away from their homes or regular places of business in the performance of services for the board of trustees, members of the board of trustees shall be allowed travel and expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b), title 5, United States Code.

(C) TERM.--Members of the board of trustees shall serve a term of 5 years.

(D) MEETINGS.--The board of trustees shall meet not more often than 3 times each calendar year.

(E) STAFF.--The board of trustees shall have a director who shall be appointed by the board and who shall be paid at a rate not to exceed the rate of basic pay payable for GS-15 of the General Schedule. Subject to such rules as may be prescribed by the board of trustees, the director may appoint and fix the compensation of such additional personnel as the director considers appropriate.

(F) APPLICABILITY OF CIVIL SERVICE LAWS.--The director and staff of the board of trustees may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the basic pay payable for GS-15 of the General Schedule.

(2) INVESTMENT.--

(A) IN GENERAL.--It shall be the duty of the board of trustees to invest such portion of the Trust Fund as is not, in its judgement, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the

United States. For such purpose, such obligations may be acquired (i) on original issue at the issue price, or (ii) by purchase of outstanding obligations at the market price.

(B) SALE OF OBLIGATIONS.--Any obligation acquired by the Trust Fund may be sold by the board of trustees at the market price.

(C) INTEREST ON CERTAIN PROCEEDS.--The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

(3) ADMINISTRATIVE EXPENSES OF MANAGEMENT.--There are hereby appropriated to the board of trustees of the Trust Fund such amounts as the board of trustees determines is necessary to defray their administrative expenses.

From what?

(d) EXEMPTION FROM TAX.--The Trust Fund shall be exempt from taxation under subtitle A of the Internal Revenue Code of 1954.

(e) EXPENDITURES FROM TRUST FUND.--

(1) IN GENERAL.--Amounts in the Trust Fund shall be available for--

(A) reimbursing the general fund of the Treasury for amounts of the credit allowed by section 44D of the Internal Revenue Code of 1954, (relating to

credit for certain individuals interned during World War II), and

(B) educational, cultural, and humanitarian purposes (as determined by the board of trustees of the Trust Fund) with respect to individuals of Japanese ancestry in the United States.

(2) EXCEPTIONS.--

(A) ADMINISTRATIVE COSTS.--The administrative costs of carrying out section 44D of the Internal Revenue Code of 1954 and of administering the Trust Fund shall not be paid from the Trust Fund.

(B) EXPENDITURES FROM TRUST FUND FOR PURPOSES OTHER THAN REIMBURSING GENERAL FUND MAY BE MADE ONLY AFTER SUCH REIMBURSEMENT.--An expenditure may be made under paragraph (1)(B) only if the board of trustees of the Trust Fund determines that amounts in the Trust Fund are in excess of the amounts required for the purpose described in paragraph (1)(A).

Should be only after all valid claims to individuals & heirs are paid!



Too complicated
a bill will lose coverage
support.

Easily understood
bill is important

Must not place
burden of proof
on Japanese-American
as to legal entry
into U.S.

- lawyers fees, etc
shud be avoided.