

"(2) the service performed by such individual as an employee of such organization during the period subsequent to 1930 and prior to 1955 would have constituted employment (as defined in section 210 of the Social Security Act [section 410 of Title 42] and section 1426(b) of the Internal Revenue Code of 1939 [subsec. (b) of this section]) if such organization had filed prior to the performance of such service such a certificate accompanied by a list of the signatures of employees who concurred in the filing of such certificate and such individual's signature had appeared on such list;

"(3) the taxes imposed by sections 1400 and 1410 of the Internal Revenue Code of 1939 have been paid with respect to any part of the remuneration paid to such individual by such organization for such service;

"(4) part of such taxes have been paid prior to the enactment of this Act [Sept. 1, 1954];

"(5) so much of such taxes as have been paid prior to the enactment of this Act [Sept. 1, 1954] have been paid by such organization in good faith and upon the assumption that a waiver certificate had been filed by it under section 1426(f) (1) of the Internal Revenue Code of 1939 [subsec. (f) (1) of this section]; and

"(6) no refund of such taxes has been obtained,

the amount of such remuneration with respect to which such taxes have been paid shall, upon the request of such individual (filed in such form and manner, and with such official, as may be prescribed by regulations made under subchapter A of Chapter 9 of the Internal Revenue Code of 1939 [this subchapter]), be deemed to constitute remuneration for employment as defined in section 210 of the Social Security Act [section 410 of Title 42] and section 1426(b) of the Internal Revenue Code of 1939 [subsec. (b) of this section].

"(b) In any case in which—

"(1) an individual has been employed, at any time subsequent to 1950 and prior to the enactment of this Act [Sept. 1, 1954], by an organization which has filed a waiver certificate under section 1426(d) (1) of the Internal Revenue Code of 1939;

"(2) the service performed by such individual during the time he was so employed would have constituted employment (as defined in section 210 of the Social Security Act [section 410 of Title 42] and section 1426(b) of the Internal Revenue Code of 1939 [subsec. (b) of

this section]) if such individual's signature had appeared on the list of signatures of employees who concurred in the filing of such certificate;

"(3) the taxes imposed by sections 1400 and 1410 of the Internal Revenue Code of 1939 have been paid prior to the enactment of this Act with respect to any part of the remuneration paid to such individual by such organization for such service; and

"(4) no refund of such taxes has been obtained,

the amount of such remuneration with respect to which such taxes have been paid shall, upon the request of such individual (filed on or before January 1, 1957, and in such form and manner, and with such official, as may be prescribed by regulations made under subchapter A of Chapter 9 of the Internal Revenue Code of 1939 [this subchapter]), be deemed to constitute remuneration for employment as defined in section 210 of the Social Security Act [section 410 of Title 42] and section 1426(b) of the Internal Revenue Code of 1939 [subsec. (b) of this section], and such individual shall be deemed to have concurred in the filing of the waiver certificate filed by such organization under section 1426(f) (1) of the Internal Revenue Code of 1939 [subsec. (f) (1) of this section]."

**Refunds or Credits for Overpayments.** Section 3 of Act Apr. 20, 1948, provided that: "If any amount paid prior to the date of the enactment of this Act [Apr. 20, 1948] constitutes an overpayment of tax solely by reason of an amendment made by this Act [to this section], no refund or credit shall be made or allowed with respect to the amount of such overpayment."

**Text of Amendatory Revenue Acts.** Complete original text of Revenue Acts amending this section, 1939 to date, see volumes "Title 26—Internal Revenue Acts".

**Legislative History and Congressional Comment:** For legislative history and purpose of Act July 12, 1951, see 1951 U.S. Code Cong. Service, p. 1569. See, also Acts June 14, 1948, 1948 U.S. Code Cong. Service, p. 1752; Apr. 20, 1948, 1948 U.S. Code Cong. Service, p. 1473; Aug. 10, 1946, 1946 U.S. Code Cong. Service, p. 1510; Dec. 29, 1945, 1945 U.S. Code Cong. Service, p. 946; Oct. 3, 1945, 1945 U.S. Code Cong. Service, p. 874; Apr. 4, 1944, 1944 U.S. Code Cong. Service, p. 1016; Mar. 24, 1943, 1943 U.S. Code Cong. Service, pp. 2-10.

§ 1427. Deductions as constructive payments.

Whenever under this subchapter or any Act of Congress, or under the law of any State, an employer is required or permitted to deduct any amount from the remuneration of an employee and to pay the amount deducted to the United States, a State, or any political subdivision thereof, then for the purposes of this subchapter the amount so deducted shall be considered to have been paid to the employee at the time of such deduction. 53 Stat. 178.

§ 1428. Estimate of revenue reduction

The Secretary at intervals of not longer than three years shall estimate the reduction in the amount of taxes collected under this subchapter by reason of the operation of paragraph (10) of subsection (b) of section 1426 and shall include such estimate in his annual report. 53 Stat. 178, amended Aug. 10, 1939, c. 666, Title IX, § 904, 53 Stat. 1400; Aug. 28, 1950, c. 809, Title II, § 204(f), 64 Stat. 536.

Historical Note

1950 Amendment. Act Aug. 28, 1950, amended section by substituting "paragraph 10" for "paragraph 9".

1939 Amendment. Act Aug. 10, 1939, amended section by substituting "paragraph (9)" for "paragraphs (9) and (10)".

Effective Date of 1939 Amendment. Section 904 of Act Aug. 10, 1939, provided

that the amendment of this section was made effective Jan. 1, 1940.

**Text of Amendatory Revenue Acts.** Complete original text of Revenue Acts amending this section, 1939 to date, see volumes "Title 26—Internal Revenue Acts".

§ 1429. Rules and regulations

The Secretary shall make and publish such rules and regulations, not inconsistent with this subchapter, as may be necessary to the efficient administration of the functions with which he is charged under this subchapter. The Commissioner, with the approval of the Secretary, shall make and publish rules and regulations for the enforcement of this subchapter. 53 Stat. 178.

§ 1430. Other laws applicable

All provisions of law, including penalties, applicable with respect to any tax imposed by section 2700 or section 1800, and the provisions of section 3661, shall, insofar as applicable and not inconsistent with the provisions of this subchapter, be applicable with respect to the taxes imposed by this subchapter. 53 Stat. 178, amended Aug. 10, 1939, c. 666, Title IX, § 903, 53 Stat. 1400.

Historical Note

1939 Amendment. Act Aug. 10, 1939, inserted "3661" in lieu of "3762."

**Text of Amendatory Revenue Acts.** Complete original text of Revenue Acts amending this section, 1939 to date, see volumes "Title 26—Internal Revenue Acts".

§ 1431. Effective date of subchapter

This subchapter shall take effect on the first day of that quarter of the calendar year occurring next after the enactment of this title. 53 Stat. 179.

§ 1432. Short title

This subchapter may be cited as the "Federal Insurance Contributions Act." Added Aug. 10, 1939, c. 666, Title VI, § 607, 53 Stat. 1387.

SUBCHAPTER B.—EMPLOYMENT BY CARRIERS

PART I.—TAX ON EMPLOYEES

Coal-mining employees of railroads, transfer of social insurance and labor relations coverage to laws applicable to coal mining generally from laws applicable to railroad industry by Act Aug. 13, 1940, see note set out under this chapter preceding section 1400.