

## Public Law 87-61

## AN ACT

June 29, 1961  
[H. R. 6713]

To amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes.

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

Federal-Aid  
Highway Act of  
1961.

## TITLE I—FEDERAL-AID HIGHWAY PROGRAM

### SEC. 101. SHORT TITLE.

This Act may be cited as the "Federal-Aid Highway Act of 1961".

### SEC. 102. APPROVAL OF ESTIMATE OF COST OF COMPLETING THE INTERSTATE SYSTEM.

The estimate of cost of completing the Interstate System in each State, transmitted to the Congress on January 11, 1961, by the Secretary of Commerce pursuant to the provisions of section 104(b)(5) of title 23, United States Code, and published as House Document Numbered 49, Eighty-seventh Congress, first session, is hereby approved as the basis for making the apportionment of the funds authorized for the Interstate System for the fiscal years ending June 30, 1963, 1964, 1965, and 1966.

72 Stat. 890; 74  
Stat. 525.

### SEC. 103. REVISION OF AUTHORIZATION OF APPROPRIATIONS FOR INTERSTATE SYSTEM.

Subsection (b) of section 108 of the Federal-Aid Highway Act of 1956, as amended, is amended to read as follows:

72 Stat. 93.  
23 USC 101 note.

"(b) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of expediting the construction, reconstruction, or improvement, inclusive of necessary bridges and tunnels, of the Interstate System, including extensions thereof through urban areas, designated in accordance with the provisions of subsection (d) of section 103 of title 23, United States Code, there is hereby authorized to be appropriated the additional sum of \$1,000,000,000 for the fiscal year ending June 30, 1957, which sum shall be in addition to the authorization heretofore made for that year, the additional sum of \$1,700,000,000 for the fiscal year ending June 30, 1958, the additional sum of \$2,200,000,000 for the fiscal year ending June 30, 1959, the additional sum of \$2,500,000,000 for the fiscal year ending June 30, 1960, the additional sum of \$1,800,000,000 for the fiscal year ending June 30, 1961, the additional sum of \$2,200,000,000 for the fiscal year ending June 30, 1962, the additional sum of \$2,400,000,000 for the fiscal year ending June 30, 1963, the additional sum of \$2,600,000,000 for the fiscal year ending June 30, 1964, the additional sum of \$2,700,000,000 for the fiscal year ending June 30, 1965, the additional sum of \$2,800,000,000 for the fiscal year ending June 30, 1966, the additional sum of \$2,900,000,000 for the fiscal year ending June 30, 1967, the additional sum of \$3,000,000,000 for the fiscal year ending June 30, 1968, the additional sum of \$3,000,000,000 for the fiscal year ending June 30, 1969, the additional sum of \$3,000,000,000 for the fiscal year ending June 30, 1970, and the additional sum of \$2,885,000,000 for the fiscal year ending June 30, 1971."

74 Stat. 415.

### SEC. 104. AGREEMENTS RELATING TO USE OF AIRSPACE ON INTERSTATE SYSTEM.

(a) The last sentence of section 111 of title 23 of the United States Code is amended to read as follows: "Such agreements may, however, authorize a State or political subdivision thereof to use or permit the use of the airspace above and below the established grade line of the

72 Stat. 895.

highway pavement for such purposes as will not impair the full use and safety of the highway, as will not require or permit vehicular access to such space directly from such established grade line of the highway, or otherwise interfere in any way with the free flow of traffic on the Interstate System."

(b) Upon application, the Secretary of Commerce is authorized to revise any agreement made prior to the date of enactment of this Act to the extent that such agreement relates to the utilization of space on rights-of-way on the National System of Interstate and Defense Highways to conform to section 111 of title 23 of the United States Code as amended by subsection (a).

#### SEC. 105. USE OF FUNDS APPROPRIATED FOR DEFENSE ACCESS ROADS.

Section 210 of title 23, United States Code, is amended by adding thereto the following new subsection:

72 Stat. 908; 74 Stat. 524.

"(h) Funds appropriated for the purposes of this section shall be available to pay the cost of repairing damage caused to highways by the operation of vehicles and equipment in the construction of classified military installations and facilities for ballistic missiles if the Secretary shall determine that the State highway department of any State is, or has been, unable to prevent such damage by restrictions upon the use of such highways without interference with, or delay in, the completion of a contract for the construction of such military reservations or installations. This subsection shall apply notwithstanding any provision of contract holding a party thereto responsible for such damage, if the Secretary of Defense or his designee shall determine, in fact, that construction estimates and the bid of such party did not include allowance for repairing such damage. This subsection shall apply to damage caused by construction work commenced prior to June 1, 1961, and still in progress on that date and construction work which is commenced or for which a contract is awarded on or after June 1, 1961."

#### SEC. 106. EXTENSION OF TIME FOR AGREEMENTS WITH RESPECT TO AREAS ADJACENT TO THE INTERSTATE SYSTEM.

Subsection (c) of section 131 of title 23 of the United States Code is amended by striking out "1961" and inserting in lieu thereof "1963".

72 Stat. 904.

## TITLE II—INTERNAL REVENUE CODE AND HIGHWAY TRUST FUND AMENDMENTS

#### SEC. 201. CONTINUATION OF MOTOR FUEL TAX RATES.

(a) DIESEL FUEL AND SPECIAL MOTOR FUELS.—Subsections (a) and (b) of section 4041 of the Internal Revenue Code of 1954 (relating to taxes on diesel fuel and special motor fuels) are each amended—

68A Stat. 478;  
70 Stat. 388.  
26 USC 4041.

(1) by striking out "3 cents a gallon" and inserting in lieu thereof "4 cents a gallon"; and

(2) by striking out "1 cent a gallon" and inserting in lieu thereof "2 cents a gallon".

(b) GASOLINE.—Section 4081(a) of such Code (relating to tax on gasoline) is amended by striking out "3 cents a gallon" and inserting in lieu thereof "4 cents a gallon".

26 USC 4081.

(c) RATE REDUCTION IN 1972.—Sections 4041(c) and 4081(b) of such Code (providing a reduction to a 1½-cent a gallon rate on July 1, 1972) are each amended by striking out "July 1, 1972" and inserting in lieu thereof "October 1, 1972".

73 Stat. 613.

(d) **REPEAL OF TEMPORARY PROVISIONS.**—Sections 4041(f) and 4081(c) of such Code (relating to rates of tax for the period beginning October 1, 1959, and ending June 30, 1961) are hereby repealed.

70 Stat. 396.

(e) **CONFORMING AMENDMENT.**—Section 6421(h) of such Code (relating to nonhighway or local transit use of gasoline) is amended by striking out “July 1, 1972” and inserting in lieu thereof “October 1, 1972”.

**SEC. 202. INCREASE IN TAXES ON CERTAIN TIRES, TUBES, AND TREAD RUBBER.**

70 Stat. 389.  
26 USC 4071.

(a) **TIRES.**—Paragraph (1) of section 4071(a) of the Internal Revenue Code of 1954 (relating to tax on tires used on highway vehicles) is amended by striking out “8 cents a pound” and inserting in lieu thereof “10 cents a pound”.

(b) **INNER TUBES.**—Paragraph (3) of section 4071(a) of such Code (relating to tax on inner tubes for tires) is amended by striking out “9 cents a pound” and inserting in lieu thereof “10 cents a pound”.

(c) **TREAD RUBBER.**—Paragraph (4) of section 4071(a) of such Code (relating to tax on tread rubber) is amended by striking out “3 cents a pound” and inserting in lieu thereof “5 cents a pound”.

(d) **RATE REDUCTION IN 1972.**—Subsection (c) of section 4071 of such Code (relating to rate reduction on July 1, 1972) is amended to read as follows:

“(c) **RATE REDUCTION.**—On and after October 1, 1972—

“(1) the tax imposed by paragraph (1) of subsection (a) shall be 5 cents a pound;

“(2) the tax imposed by paragraph (3) of subsection (a) shall be 9 cents a pound; and

“(3) paragraph (4) of subsection (a) shall not apply.”

**SEC. 203. TAX ON USE OF CERTAIN VEHICLES.**

70 Stat. 390.  
26 USC 4481.

(a) **INCREASE IN TAX.**—Subsection (a) of section 4481 of the Internal Revenue Code of 1954 (relating to tax on use of certain vehicles) is amended by striking out “\$1.50 a year” and inserting in lieu thereof “\$3.00 a year”.

(b) **PERIOD TAX IN EFFECT.**—

(1) **EXTENSION FOR 3 MONTHS.**—Section 4481 (e) of such Code (relating to period tax in effect) is amended by striking out “after June 30, 1956, and before July 1, 1972” and inserting in lieu thereof “before October 1, 1972”.

(2) **CONFORMING AMENDMENTS.**—

(A) Section 4481 (a) of such Code (relating to imposition of tax) is amended by adding at the end thereof the following new sentence: “In the case of the taxable period beginning on July 1, 1972, and ending on September 30, 1972, the tax shall be at the rate of 75 cents for such period for each 1,000 pounds of taxable gross weight or fraction thereof.”

(B) Subsections (c) and (d) of section 4481 of such Code are amended to read as follows:

“(c) **PRORATION OF TAX.**—If in any taxable period the first use of the highway motor vehicle is after the first month in such period, the tax shall be reckoned proportionately from the first day of the month in which such use occurs to and including the last day in such taxable period.

“(d) **ONE TAX LIABILITY PER PERIOD.**—

“(1) **IN GENERAL.**—To the extent that the tax imposed by this section is paid with respect to any highway motor vehicle for any taxable period, no further tax shall be imposed by this section for such taxable period with respect to such vehicle.

“(2) CROSS REFERENCE.—

“For privilege of paying tax imposed by this section in installments, see section 6156.”

(C) Subsection (c) of section 4482 of such Code is amended by adding at the end thereof the following new paragraph:

70 Stat. 390.  
26 USC 4482.

“(4) TAXABLE PERIOD.—The term ‘taxable period’ means any year beginning before July 1, 1972, and the period which begins on July 1, 1972, and ends at the close of September 30, 1972.”

(c) INSTALLMENT PAYMENTS OF TAX.—

(1) Subchapter A of chapter 62 of such Code (relating to time and place for paying tax) is amended by renumbering section 6156 as 6157, and by inserting after section 6155 the following new section:

68A Stat. 757,  
761.  
26 USC 6156.

“SEC. 6156. INSTALLMENT PAYMENTS OF TAX ON USE OF HIGHWAY MOTOR VEHICLES.

“(a) PRIVILEGE TO PAY TAX IN INSTALLMENTS.—If the taxpayer files a return of the tax imposed by section 4481 on or before the date prescribed for the filing of such return, he may elect to pay the tax shown on such return in equal installments in accordance with the following table:

“If liability is incurred in—	The number of installments shall be—
July, August, or September.....	4
October, November, or December.....	3
January, February, or March.....	2

“(b) DATES FOR PAYING INSTALLMENTS.—In the case of any tax payable in installments by reason of an election under subsection (a)—

“(1) the first installment shall be paid on the date prescribed for payment of the tax,

“(2) the second installment shall be paid on or before the last day of the third month following the calendar quarter in which the liability was incurred,

“(3) the third installment (if any) shall be paid on or before the last day of the sixth month following the calendar quarter in which the liability was incurred, and

“(4) the fourth installment (if any) shall be paid on or before the last day of the ninth month following the calendar quarter in which the liability was incurred.

“(c) PRORATION OF ADDITIONAL TAX TO INSTALLMENTS.—If an election has been made under subsection (a) in respect of tax reported on a return filed by the taxpayer and tax required to be shown but not shown on such return is assessed before the date prescribed for payment of the last installment, the additional tax shall be prorated equally to the installments for which the election was made. That part of the additional tax so prorated to any installment the date for payment of which has not arrived shall be collected at the same time as and as part of such installment. That part of the additional tax so prorated to any installment the date for payment of which has arrived shall be paid upon notice and demand from the Secretary or his delegate.

“(d) ACCELERATION OF PAYMENTS.—If the taxpayer does not pay any installment under this section on or before the date prescribed for its payment, the whole of the unpaid tax shall be paid upon notice and demand from the Secretary or his delegate.

“(e) SECTION INAPPLICABLE TO CERTAIN LIABILITIES.—This section shall not apply to any liability for tax incurred in—

“(1) April, May, or June of any year, or

“(2) July, August, or September of 1972.”

68A Stat. 817.  
26 USC 6601.

(2) Section 6601(c)(2) of such Code (relating to determination of last date prescribed for payment of tax) is amended by striking out “6152(a)” and inserting in lieu thereof “6152(a) or 6156(a)”, and by striking out “6152(b)” and inserting in lieu thereof “6152(b) or 6156(b), as the case may be”.

68A Stat. 757.

(3) The table of sections for subchapter A of chapter 62 of such Code is amended by striking out

“Sec. 6156. Payment of taxes under provisions of the Tariff Act.” and inserting in lieu thereof

“Sec. 6156. Installment payments of tax on use of highway motor vehicles.

“Sec. 6157. Payment of taxes under provisions of the Tariff Act.”

**SEC. 204. EXTENSION OF PERIOD OF 10 PERCENT TAX ON TRUCKS AND BUSES.**

68A Stat. 481; 70  
Stat. 388.  
26 USC 4061.

Section 4061(a)(1) of the Internal Revenue Code of 1954 (relating to tax on trucks and buses) is amended by striking out “July 1, 1972” and inserting in lieu thereof “October 1, 1972”.

**SEC. 205. CERTAIN GASOLINE SOLD FOR FURTHER MANUFACTURE.**

72 Stat. 1282.

(a) EXEMPTION FROM TAX.—Section 4221(d)(6) of the Internal Revenue Code of 1954 (relating to use in further manufacture) is amended—

(1) by striking “or” at the end of subparagraph (A),

(2) by striking the period at the end of subparagraph (B) and inserting in lieu thereof “; or”; and

(3) by adding at the end thereof the following new subparagraph:

“(C) in the case of gasoline taxable under section 4081, such gasoline is sold for use by the purchaser, for nonfuel purposes, as a material in the manufacture or production of another article to be manufactured or produced by him.”

72 Stat. 1281.  
26 USC 4218.

(b) USE BY MANUFACTURER OR IMPORTER CONSIDERED SALE.—Section 4218(a) of such Code (relating to use considered as sale) is amended by adding at the end thereof the following new sentence: “This subsection shall not apply in the case of gasoline used by any person, for nonfuel purposes, as a material in the manufacture or production of another article to be manufactured or produced by him.”

26 USC 6416.

(c) CREDIT OR REFUND.—Section 6416(b)(3) of such Code (relating to tax paid articles used for further manufacture) is amended—

(1) by striking out “or” at the end of subparagraph (D),

(2) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof “; or”; and

(3) by inserting after subparagraph (E) the following new subparagraph:

“(F) in the case of gasoline taxable under section 4081, such gasoline is used by the second manufacturer or producer, for nonfuel purposes, as a material in the manufacture or production of any other article manufactured or produced by him.”

(d) CONFORMING AMENDMENT.—Section 6416(b)(2)(E) of such Code is amended by striking out “or (E)” and inserting in lieu thereof “(E), or (F)”.

**SEC. 206. FLOOR STOCKS TAXES AND REFUNDS.**

(a) **IMPOSITION ON CERTAIN TIRES, TUBES, AND TREAD RUBBER.**—Subsection (a) of section 4226 of the Internal Revenue Code of 1954 (relating to floor stocks taxes) is amended by adding at the end thereof the following new paragraphs:

70 Stat. 391; 7  
Stat. 614.  
26 USC 4226.

“(6) **1961 TAXES ON CERTAIN TIRES AND INNER TUBES.**—On tires subject to tax under section 4071(a)(1), and on inner tubes subject to tax under section 4071(a)(3), which, on July 1, 1961, are held—

70 Stat. 388.  
26 USC 4071.

“(A) by a dealer for sale,

“(B) for sale on, or in connection with, other articles held by the manufacturer, producer, or importer of such other articles, or

“(C) for use in the manufacture or production of other articles,

there is hereby imposed a floor stocks tax at the rate of 2 cents a pound in the case of such tires, and a floor stocks tax at the rate of 1 cent a pound in the case of such inner tubes. The taxes imposed by this paragraph shall not apply to any tire or inner tube which is held for sale by the manufacturer, producer, or importer of such tire or tube, or which will be subject under section 4218(b) or 4219 to the manufacturers excise tax on tires or inner tubes. The tax on inner tubes imposed by this paragraph shall not apply to inner tubes for bicycle tires (as defined in section 4221(e)(4)(B)).

26 USC 4 2 1 8,  
4219.

74 Stat. 38.

“(7) **1961 TAX ON TREAD RUBBER.**—On tread rubber subject to tax under section 4071(a)(4) which, on July 1, 1961, is held by a dealer, there is hereby imposed a floor stocks tax at the rate of 2 cents a pound. The tax imposed by this paragraph shall not apply in the case of any person if such person establishes, to the satisfaction of the Secretary or his delegate, that all tread rubber held by him on July 1, 1961, will be used otherwise than in the recapping or retreading of tires of the type used on highway vehicles (as defined in section 4072(c)).”

26 USC 4071.

(b) **DUE DATE OF TAXES.**—Subsection (d) of section 4226 of such Code is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and “and except that the taxes imposed by paragraphs (6) and (7) shall be paid at such time after September 30, 1961, as may be prescribed by the Secretary or his delegate.”

26 USC 4072.

26 USC 4226.

(c) **FLOOR STOCKS REFUNDS IN 1972.**—Paragraph (2) of section 6412(a) of such Code (relating to floor stocks refunds on trucks and buses, tires, tread rubber, and gasoline) is amended—

26 USC 6412.

(1) by inserting “TUBES,” after “TIRES,” in the heading;

(2) by striking out “4071(a)(1) or (4),” and inserting in lieu thereof “4071(a)(1), (3), or (4),”;

(3) by striking out “July 1, 1972” each place it appears and inserting in lieu thereof “October 1, 1972”;

(4) by striking out “November 10, 1972” each place it appears and inserting in lieu thereof “February 10, 1973”;

(5) by striking out “October 1, 1972” and inserting in lieu thereof “January 1, 1973”; and

(6) by adding at the end thereof the following new sentence: “No credit or refund shall be allowable under this paragraph with respect to inner tubes for bicycle tires (as defined in section 4221(e)(4)(B)).”

74 Stat. 38.

Repeal.

73 Stat. 614.

(d) **REPEAL OF 1961 FLOOR STOCKS REFUND ON GASOLINE.**—Paragraph (3) of section 6412(a) (relating to 1961 floor stocks refund on gasoline) is hereby repealed.

**SEC. 207. HIGHWAY TRUST FUND.**

(a) **TRANSFER OF AMOUNTS EQUIVALENT TO TAX ON TRUCKS, BUSES, ETC.**—Subparagraph (C) of section 209(c) (1) of the Highway Revenue Act of 1956 (relating to transfer to Highway Trust Fund of amounts equivalent to certain taxes) is amended to read as follows:

70 Stat. 397.  
23 USC 120 note.

26 USC 4061.

“(C) 50 percent of the tax received after June 30, 1957, and before July 1, 1962, under section 4061(a) (1) (tax on trucks, buses, etc.), and 100 percent of the tax received after June 30, 1962, under section 4061(a) (1);”.

Repeal.

(b) **REPEAL OF TRANSFER TO TRUST FUND OF EXCISE TAXES ON AUTOMOBILES, PARTS AND ACCESSORIES, ETC.**—Paragraph (2) of section 209(c) of such Act (providing for the transfer to the Highway Trust Fund of amounts equivalent to a portion of the excise taxes on automobiles and parts and accessories received after June 30, 1961, and before July 1, 1964) is hereby repealed.

73 Stat. 615.

(c) **RECEIPTS IN FISCAL YEAR 1973.**—

(1) Paragraph (1) of section 209(c) of such Act (relating to transfer to Trust Fund of amounts equivalent to certain taxes) is amended by striking out “July 1, 1972” and inserting in lieu thereof “October 1, 1972”.

73 Stat. 615.

(2) Paragraph (3) of such section 209(c) is amended—

(A) by striking out “JULY 1, 1972” in the heading and inserting in lieu thereof “OCTOBER 1, 1972”;

(B) by striking out “after June 30, 1972, and before July 1, 1973, and which are attributable to liability for tax incurred before July 1, 1972,” and inserting in lieu thereof “after September 30, 1972, and before July 1, 1973, and which are attributable to liability for tax incurred before October 1, 1972;”;

(C) by striking out subparagraph (C) and inserting in lieu thereof the following:

26 USC 4071.

“(C) 50 percent of the tax under section 4071(a) (1) (tax on tires of the type used on highway vehicles) and 10 percent of the tax under section 4071(a) (3) (tax on inner tubes for tires); and”.

(d) **EXPENDITURES IN FISCAL YEAR 1973.**—

(1) Paragraph (1) of section 209(f) of such Act (relating to expenditures from Trust Fund for Federal-aid highway program) is amended by striking out “July 1, 1972” and inserting in lieu thereof “October 1, 1972”.

(2) Paragraph (3) of such section 209(f) (relating to transfers from Trust Fund for gasoline used on farms and for certain other purposes) is amended by striking out “July 1, 1972” and inserting in lieu thereof “October 1, 1972”.

(3) Subparagraphs (B) and (C) of section 209(f) (4) of such Act are amended to read as follows:

“(B) 100 percent of the refunds in respect of articles subject to tax under section 4071(a) (1), (3), or (4) of such Code (certain tires, tubes, and tread rubber); and

“(C) 80 percent of the refunds in respect of gasoline subject to tax under section 4081 of such Code.”

26 USC 4081.

(4) Paragraph (5) of such section 209(f) (relating to 1961 floor stocks refunds on gasoline) is hereby repealed.

**SEC. 208. EFFECTIVE DATES.**

(a) Except as provided in subsection (b), the amendments made by this title shall take effect on the date of the enactment of this Act.

(b) (1) The amendments made by sections 201, 202, and 203 shall take effect on July 1, 1961.

(2) The amendments made by section 205 (a), (c), and (d) shall apply only in the case of gasoline sold on or after October 1, 1961.

(3) The amendment made by section 205 (b) shall apply only in the case of gasoline used on or after October 1, 1961.

Approved June 29, 1961, 10:18 a.m.

## Public Law 87-62

### AN ACT

To amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions.

June 29, 1961  
[S. 2113]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) section 107(a) (3) of the Soil Bank Act is amended by changing the period at the end thereof to a comma and adding the following: "and except that the Secretary may, with the approval of the contract signers, permit hay to be removed from such acreage if the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for removal of hay from such acreage, determines that it is necessary to permit removal of hay from such acreage in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster."

Soil Bank Act,  
amendment,  
70 Stat. 192,  
7 USC 1831.

(b) The amendment made by this section shall expire one year from the date of enactment of this Act.

Approved June 29, 1961.

## Public Law 87-63

### AN ACT

To strengthen the domestic and foreign commerce of the United States by providing for the establishment of a United States Travel Service within the Department of Commerce.

June 29, 1961  
[S. 610]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That it is the purpose of this Act to strengthen the domestic and foreign commerce of the United States, and promote friendly understanding and appreciation of the United States by encouraging foreign residents to visit the United States and by facilitating international travel generally.

International  
Travel Act of 1961.

SEC. 2. In order to carry out the purpose of this Act the Secretary of Commerce (hereafter in this Act referred to as the "Secretary") shall—

Secretary of  
Commerce.  
Authority.

(1) develop, plan, and carry out a comprehensive program designed to stimulate and encourage travel to the United States by residents of foreign countries for the purpose of study, culture, recreation, business, and other activities as a means of promoting friendly understanding and good will among peoples of foreign countries and of the United States;

(2) encourage the development of tourist facilities, low cost unit tours, and other arrangements within the United States for meeting the requirements of foreign visitors;

(3) foster and encourage the widest possible distribution of the benefits of travel at the cheapest rates between foreign countries and the United States consistent with sound economic principles;