

3. Taxpayers who are required by paragraph 4 of Article XVI of this Law to file an annual return of income must include the gross amount of directors' fees received by them in such returns. They will be entitled to an appropriate credit for the amount deducted <at source.
4. The Verordnung über den Steuerabzug von Aufsichtsratsvergütungen of 31st March 1939 is amended in accordance with the provisions of this article.

Part III — Procedure for Determining Incomes

ARTICLE VIII

Allowances for Losses

In Levying income tax and excess profits tax upon the incomes of natural and juristic persons and in computing these taxes upon the income of such persons for past years, no credits or allowances for losses incurred in connection with or arising out of any of the following will be granted: —

- (a) War Contracts;
- (b) The Public Debt;
- (c) Destruction or damage caused by the war; or
- (d) Steuergutscheine.

ARTICLE IX

Income Tax on Persons engaged in Agriculture and Forestry

1. The income of farmers and foresters, who do not keep records shall, for the purpose of computing their income tax liability, be increased from 1/18th of the value of the agricultural or forestry property (as provided by Section 2 of the Verordnung über die Aufstellung von Durchschnittssätzen für die Ermittlung des Gewinns aus Land- und Forstwirtschaft of 31st December 1936) to 1/12th of the value of such property.
2. The exemption allowed to farmers and foresters whose net income does not exceed 6000 Marks a year shall be 1000 Marks. Subsection (3) of Section 13 of the Einkommensteuergesetz is amended accordingly.
3. In the case of immigrants who have crossed the frontiers of Germany as now constituted, since 8 May 1945 and who are engaged in farming or forestry, and whose income does not exceed 6000 RM the exemption shall be 2000 RM. Such exemption shall continue for a period of 5 years as from 1 January 1946, or from the date of entry into Germany, whichever is the later. Such exemption shall cease to apply on the date when such persons cease to engage in farming or forestry.