

- (b) In subsection (2) paragraph 3, the permissible total of deductions for special expenditure is reduced to 300 Marks per year for the tax payer himself plus a further 300 Marks per year for his wife and each member of his family within the meaning of Section 10(3) — (6) of the Steueranpassungsgesetz. « &

ARTICLE XII

Sale of Enterprises

Profit accruing from the sale of enterprises or from the sale of shares in corporations or other companies (in so far as such profit falls within Sections 14, 16 and 17 of the Einkommensteuergesetz) must be included in the net income subject to taxation, irrespective of the amount of such profit. The exemptions contained in Section 14(2), Section 16(4) and (5) and Section 17(3) and (4) of the Einkommensteuergesetz are abolished.

ARTICLE XIII

Income from Letting and Leasing

Every person paying rent or making any other payment under a lease, in respect of land, buildings or other immovable property will submit a special quarterly report to the appropriate Finanzamt showing all the sums so paid and the person or persons to whom they are paid.

* ARTICLE XIV

Extraordinary Income

1. Extraordinary income consisting of receipts representing compensation for an activity extending over a period of years (Section 34(2)1 of the Einkommensteuergesetz) shall be subject to income tax at the rates applicable to other income. Such extraordinary income may, for income tax purposes, be spread out and treated as the income of the years in which it was earned, provided that such spread out period does not exceed three years.
2. Sale profits within the meaning of Sections 14, 16 and 17 of the Einkommensteuergesetz (that is certain profits from the sale of enterprises, property, stocks, shares or bonds) shall no longer be regarded as extraordinary income within Section 34 of the said Law, but shall be subject to income tax at the rates applicable to other income.
3. Section 34 of the Einkommensteuergesetz is amended accordingly.