



Seventy-Fourth Congress, Session I
Chapter 577 — 49 Stat. 664 — Public, No. 289 (S. 3058)
August 20, 1935

AN ACT To amend an Act entitled “An Act to establish a uniform system of bankruptcy throughout the United States”, approved July 1, 1898, and Acts amendatory thereof and supplementary thereto, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (n) of section 77B of chapter VIII of the Act of July 1, 1898, entitled “An Act to establish a uniform system of bankruptcy throughout the United States”, as amended by the Acts of February 5, 1903, June 15, 1906, June 25, 1910, March 2, 1917, January 7, 1922, May 27, 1926, February 11, 1932, March 3, 1933, and June 7, 1934, be, and it is hereby, amended to read as follows:

“(n) Nothing contained in this section shall be construed or be deemed to affect or apply to the creditors of any corporation under a mortgage insured pursuant to the National Housing Act and Acts amendatory thereof and supplementary thereto or to the stockholders, creditors, or officers of any corporation operating or owning a railroad or railroads, railway or railways, owned in whole or in part by any municipality and/or owned or operated by a municipality, or under any contract to any municipality by or on its behalf or in conjunction with such municipality under any contract, lease, agreement, certificate, or in any other manner provided by law for such operation: *Provided, however,* That this paragraph shall not apply to or affect any corporation or the stockholders, creditors, or officers thereof, if not more than 20 per centum of its operating revenue is derived from such operations.”

APPROVED, August 20, 1935.