

FOREIGN CLAIMS SETTLEMENT COMMISSION
OF THE UNITED STATES
WASHINGTON, D. C.

In the Matter of the Claim of

JOSEPH BECK
Hotel Ashley
157 West 47th Street
New York, N.Y.

Docket No. Y-971

Decision No. 319-A

Under the Yugoslav Claims Agreement
of 1948 and the International Claims
Settlement Act of 1949

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Sep 2, 1954*

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FINAL DECISION

Thirty days having elapsed since the claimant(s) herein and the Government of Yugoslavia were notified of the Commission's Proposed Decision on the above claim, and the claimant(s) having filed no objections thereto, and a brief filed by the Government of Yugoslavia having received due consideration, such Proposed Decision is hereby adopted as the Commission's Final Decision on the claim.

Done at Washington, D. C. SEP 8 1954

B.T.

D.S.B.

INTERNATIONAL CLAIMS COMMISSION OF THE UNITED STATES
DEPARTMENT OF STATE
Washington, D. C.

In the Matter of the Claim of

JOSEPH BECK,
1834 Pandora Avenue,
Los Angeles 25, California.

Under the Yugoslav Claims Agreement
of 1948 and the International Claims
Settlement Act of 1949

Docket No. Y-971

Decision No. 319-A

PROPOSED DECISION OF THE COMMISSION

This is a claim for \$10,000 by Joseph Beck, a naturalized citizen of the United States since February 24, 1920, and is for the taking by the Government of Yugoslavia of the stock of a bookstore and lending library, furnishings of a four-room apartment, and several bank accounts in Subotica, Yugoslavia.

That portion of the claim based upon bank accounts in Yugoslavia was denied by the Commission by Proposed Decision No. 319 dated August 5, 1952.

Claimant has filed his own affidavit, that of a sister, and affidavits from two cousins to the effect that claimant and his sister Theresa are the only surviving brother and sister of two spinster sisters who owned the above property when they were taken by enemy forces in 1944 to Auschwitz, Poland where they died. The claimant has also filed a photostatic copy of a letter dated July 21, 1947 from the American Red Cross to the claimant which contains the statement "Sorry to inform you that your sisters went to Auschwitz. Little hope for their return . . ."

The Government of Yugoslavia has stated that during the occupation of Subotica, the occupiers carried away part of the above-described personal property belonging to the Beck sisters who were ". . . both killed by the occupator" and that the People's Municipal Committee of

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Subotica took the remainder of such property on November 6, 1944. The Commission's own investigators confirmed the fact that part of the personal property was taken away by German authorities in 1944. Such destruction or removal would not constitute a taking by the Yugoslav Government as defined under the Yugoslav Claims Agreement of 1948. The evidence filed by the claimant is persuasive that the claimant and his sister Theresa Beck are the only heirs of their deceased sisters Margita and Mariska Beck. In her affidavit of October 7, 1950, Theresa Beck stated that United States citizenship had not been granted to her. The Agreement of July 19, 1948, between the Governments of the United States and Yugoslavia settled "all claims of nationals of the United States" for the "nationalization or other taking by Yugoslavia of property" (Article 1), who were nationals of the United States "at the time of nationalization or other taking" (Article 2). It expressly excluded nationals of the United States "who did not possess such nationality at the time of the nationalization or other taking" (Article 3). Since she was not a national of the United States at the time of taking, any claim she might have was not settled by the Agreement of July 19, 1948, and would not, therefore, be within the jurisdiction of this Commission.

A three-party committee designated by local Yugoslav authorities and the Commission's own staff have valued the property taken, in accordance with 1938 values, as follows:

	<u>Dinar Valuation</u>
Lending library	38,230.50
New books	11,718.00
Supplies	76,748.54
Store furnishings	<u>20,000.00</u>
Total	146,697.04 ✓

The Commission is of the opinion, upon the basis of the evidence before it, that the fair and reasonable value of the claimant's one-half interest in the property was 73,348.52 dinars as of the year 1938.* That amount converted into dollars at the rate of 44 dinars to \$1, the

rate adopted by the Commission in making awards based upon 1938 valuations, equals \$1,667.01.*

Under the laws of Yugoslavia, persons who succeed to personal property by inheritance, such as claimant herein, are obligated to pay inheritance taxes on the value of the property (See Law Concerning Direct Taxation, effective January 1, 1946, Article 24, Official Gazette No. 854, November 20, 1945). Thus, the value under local law of an heir's interest in property must be regarded as being the value of the property less the inheritance taxes charged against it and which must be paid. As awards may be made only for the value of the property taken or, as is the case here, for the value of an interest in property, a deduction must be made for inheritance taxes.

Under the applicable tax law (Inheritance and Gift Tax Law of March 18, 1947, Official Gazette No. 25, March 26, 1947) the tax on property valued at 73,348.52 dinars is 15%, or 11,002.28 dinars. That amount deducted from the value of the property leaves 62,346.24 dinars as the value of claimant's interest in the property which, converted into United States dollars at the rate of 44 dinars to 1 dollar, the rate adopted by the Commission in making awards based upon valuations as of the year 1938, equals \$1,416.96.*

AWARD

On the above evidence and grounds, this claim is allowed and an award is hereby made to Joseph Beck, claimant, in the amount of

\$1,416.96, with interest thereon at 6% per annum from November 6, 1944, the date of taking, to August 21, 1948, the date of payment by the Government of Yugoslavia, in the amount of \$121.17.*

Dated at Washington, D. C.

JUN 14 1954

* For the Contract's purpose for use of 1948 valuation, use of exchange rate of 4.5 to 1, and the elimination of interest, the original copy of the Contract in the file of Joseph Smith.