

Regulation M.E. 1600. of 1944 of the Hungarian Royal Ministry
On the Reporting and Attachment of Jewish Assets

In accordance with §112 and 113, and §141 (2) and §212 of Act II of 1939, as well as §28 of Act XIV of 1942 on defence; and on §2 and 3 of Act XXVI of 1931 on the economic and credit system and the balance of the state economy; and based on the authorisation extended by Section XIV of Act 1944, the H.R. [Hungarian Royal] ministry orders the following:

1 § (1) All Jews residing in the country shall submit a report of all their assets at the time this regulation takes effect, by 30 April 1944, to the financial directorate of their respective place of residence; in case of multiple residences, at the financial directorate of the district where the income- and asset taxes have been, or should be, levied on them. Reports covered by §9 on commercial or industrial businesses (store or plant) must be submitted at the financial directorate of the district where the general commercial tax or corporate asset tax has been, or should be, levied. The report must indicate the assets' retail value effective at the time this regulation takes effect. The report must be submitted on official forms available at municipalities (at the mayor's office in townships, at district municipalities in Budapest).

(2) For minors or persons under guardianship, a legal representative or guardian respectively must submit the report. In compliance with §1 of M.E. Act 1.990/1942 (Rt. 1942 p. 714) in lieu of a person unable to represent himself or who is unable to make the report due to absence or other reasons, the person in charge of the assets' management must submit the report.

(3) All assets must be covered by the report with the exception of personal belongings including furniture, clothing and household articles. The exempted assets must also be reported if their combined value exceeds 10,000 Pengo. If these assets are also used by relatives, living in the same household with the person submitting the report, the limit of exemption is raised by 3000 Pengo per each relative. The reporting obligation, however, shall extend in all cases to art objects, rugs, silverware, and other luxury items.

(4) The reporting obligation extends to all Jewish or non-Jewish persons who have Jewish assets in their safekeeping under any title.

(5) The reporting obligation, and the provisions of this regulation in general, do not extend to real estate and other assets that fall under the forfeiture obligation covered by Act XV of 1942, as well as Jewish agricultural and forestry assets covered by Act M.E. 4.070/1943 (Rt. 1943. p. 1706) limiting commerce in livestock or equipment belonging to said real estate that fall under the pledge obligation.

(6) As of the effective date of this regulation, assets covered by the report cannot be legally traded or mortgaged, unless exempted by this regulation or another law.

2. § (1) Any legal transaction concluded after 22 March 1944 through which the Jew has transferred to someone else his asset covered by the reporting obligation set forth in this regulation shall be considered invalid, except when the transfer has occurred as part of the Jew's business activity not exceeding the company's regular business returns.

(2) Any legal transaction and its subject considered invalid in accordance with Section (1) shall be reported by the beneficiary to the financial directorate by the deadline set forth in §1.

3. § (1) Real estate shall be reported by indicating the location, land registration and topographical number, area (in case of urban real estate, the number and street name).

(2) With respect to the real estate, the fact that their owner is Jewish must also be reported separately to the land registration authority. The docket copy of the report submitted to the land registration authority must be attached to the report to be submitted to the financial directorate.

(3) With respect to the real estate covered by the report, the land registration authority shall make a notation on page B of the land registration that the owner of the real estate is Jewish, referring to this regulation. The effect of this notation is that the real estate cannot be legally traded or mortgaged.

4. § (1) In the report regulated by §1, the Jew shall list in his possession all fixed-interest securities, shares (temporary shares, vouchers), document of ownership in a cooperative, mining shares and coupon sheets linked to these (hereinafter securities) by face value and amount. If the security is not in his possession, he shall report who is in its possession.

(2) Even before submitting the report, the Jew must deposit the security in his possession at a financial institution that is a member of the Financial Institutions Centre, referring to this regulation. If he is not the owner of the security, he shall name the security's owner and indicate the title under which he has kept the security in his possession. If at the time of the report the security is deposited at a financial institution, treasury office, or the H.R. postal savings bank that is a member of the Financial Institutions Centre, the Jew must notify the trustee that the deposit subject to this regulation. Similarly, at the time of the report the Jew must notify the trustee or the person who otherwise is in charge of safekeeping the security in the event he cannot arrange for the deposition of the security at a financial institution that is a member of the Financial Institutions Centre.

(3) The person who receives information through the notification mentioned in the previous section, or by any other means, that the security in his possession is owned by a Jew, shall immediately deposit the security at a financial institution that is a member of the Financial Institutions Centre, referring to this regulation; he shall name the security's owner and indicate the title under which he has kept the security in his possession. This regulation does not extend to treasury offices, the H.R. postal savings bank or other financial institutions that are members of the Financial Institutions Centre.

(4) The reporting obligation set forth in §1 and the obligation for deposit set out in this § extend to the Jew with respect to securities that he came into the ownership or possession of after making the report set forth in §1.

(5) At the time of submitting the report as set forth in §1, the Jew shall also submit a report of shares in his ownership issued by a domestic corporation to that corporation's management, listing them by amount and face value. The management shall register these reports.

previous year, into a savings account or current account maintained at a financial institution that is a member of the Financial Institutions Centre, or into a deposit account or checking account at the H.R. postal savings bank.

(2) Provisions of §6 and 7 shall be duly applied to receivables in a savings deposit, current account, or checking account created in compliance with this §.

9 § (1) Safe deposit boxes rented by the Jew or otherwise at his disposal shall be kept locked by the credit institution. In his report, the Jew shall indicate whether he owns a safe deposit box and at which credit institution, and what objects are contained in the safe deposit box.

(2) The finance minister may occasionally permit that documents and expired bills of exchange be taken out of the safe deposit box.

(3) The finance minister shall be authorised to have an inventory made of the content of the safe deposit box rented by, or otherwise available to, the Jew, and to consign the Jewish-owned securities, savings deposit books, valuables and cash in compliance with the provisions of this regulation.

10 § (1) The report of material and product inventory, business and manufacturing equipment belonging to the Jewish commercial or industrial business (store, factory) shall indicate:

1. which industry (or commercial activity) his business certificate or licence is valid for, and which industry (or commercial activity) he is actually engaged in;

2. the location of the main facility, along with the accurate location of all stores, regardless whether they are located in the same county or in a different county;

3. the location of storage for raw materials, products, business and manufacturing equipment;

(2) The inventory of raw materials and products, business and manufacturing equipment shall be attached to the report. The inventory shall contain products received for sale on commission, indicating the name of the commissioning party (company) and the address of his residence (facility).

(3) Presentation of the report and inventory shall not effect the continued operation of the business (store or plant); however, the party submitting the report may not carry out sales exceeding usual business levels.

(4) The minister of commerce, transport or industry, or his designated authority, office or organisation may order, for economic reasons, the attachment of the raw material and product inventory, or the business (manufacturing) equipment of a Jewish-owned commercial or industrial business (store, plant). However, if the continued operation of the store (plant) is necessary to the public interest, a business manager may be appointed to continue operations of the store (plant), at the expense of the owner of the business (store, plant).

(5) The company manager's appointment shall be published in the Budapest Közlöny. Upon publication, the company manager is the company's legal representative, and the representation right of the company's regular administrative department shall be terminated.

(6) The appointing minister or his designated authority, office or organisation shall notify the court of registration of the business manager's appointment, for the

purposes of registration in the trade register and its public disclosure. This registration and disclosure are for information purposes only and their incidental non-occurrence shall not effect the legal force of the appointment.

(7) The company manager shall take all measures necessary to ensure the maintenance and continued operation of the business; he may effectively perform any kind of legal actions on behalf of the company in this respect; however, he may not sell the business, or any part of it, or its real estate holdings.

(8) The company manager must get the prior written agreement of the authorised minister for the following transactions:

a) assume obligation whose value exceeds that of one month's business returns in the previous year,

b) establish or terminate mortgage rights on the company's real estate or other rights that can be entered in the land registry,

c) lease the business or any of its parts, as well as its real estate,

d) the sale of the company's business equipment (machines, tools or other equipment) or their lease for more than six months,

e) to grant or revoke authorisation for company management,

f) conclude service agreements valid for more than one year.

(9) The authorising minister or his designated authority, office or organisation shall provide oversight over the company manager as well as give him instructions, determine his compensation and may dismiss him at any time.

(10) The validity of the company manager's legal actions cannot be contested on the basis that preconditions for his appointment were not met or that his legal action was not necessary. The absence of ministerial agreement as set forth in Section (8) does not affect the validity of the transaction concluded by the company manager.

(11) The company manager's dismissal shall be published in the Budapest Közlöny and the court of registration shall be notified for the purposes of registration and disclosure. The company manager's representation rights are terminated on the day following the publication of his dismissal in the Budapest Közlöny.

(12) Beyond the report, the minister of commerce and transportation, and the minister of industry, or their designated authority, office, or organisation may request further information from the commercial or industrial business (store, plant), and may examine raw material and product inventories, store or plant equipment, books and other business records, if necessary.

11. §. (1) The Jew who operates a business as leaseholder, beneficiary or under any other title on real estate owned by a non-Jew, or if he utilises forestry rights, shall make a report thereof indicating the land registration of the real estate and simultaneously submit a report of agricultural and forestry real estate fixtures, manufacturing equipment, immobile facilities, livestock and supplies in a separate inventory.

(2) The person obliged to make the report (the Jewish beneficiary or leaseholder of the real estate) shall maintain the reported assets in the same condition they are in on the day this regulation goes into effect, carry out necessary agricultural tasks (soil preparation, sowing, harvesting, plant care, etc.) with the customary care of a prudent farmer, following regular procedures. This regulation does not block necessary or customary trading and utilisation within the framework of regular farming.

12. §. (1) In line with this regulation, the financial directorate may order the close attachment of belongings if it is necessary to protect the assets remaining in the ownership of the person making the report. The regulations set forth in §75 of Act LX of 1881 shall be applicable to the implementation of close attachment. No close attachment set forth in this section can be ordered with respect to material and product inventory, business and manufacturing equipment of a commercial or industrial business (store or plant) regulated in Section 10.

(2) If a measure is necessary in line with the previous paragraph with respect to agricultural and forestry assets, the financial directorate shall request the H.R. agricultural commissioner or the H.R. forestry authority to appoint a supervisor to take charge of and oversee those assets. The cost of supervision shall be borne by the owner (beneficiary, leaseholder) as determined by the financial directorate based on a report by the H.R. agricultural commissioner or H.R. forestry authority. If the supervisory measure just described turns out to be insufficient to protect the asset's condition or to provide for continued production, the financial directorate shall order attachment by appointing an attachment officer; with respect to forestry real estate or a forestry industrial plant, it shall request the forestry authority to order their management by the forestry treasury. The attachment officer's compensation shall be determined by the financial directorate.

(3) Proceedings by the attachment officer appointed in line with the previous section, as well as by the attachment officers appointed to manage the Jews' attached agricultural and forestry real estate shall be regulated by the provision set forth in regulation F.M. 210.000/1942 (Rt. 1942. p. 1808) with the stipulation that supervision shall be provided by the financial directorate.

(4) Provisions of Section (2) shall also apply in cases where rental revenues realised through the leasing of a house must be ensured.

13. §. Provisions of this regulation on Jews shall be applied to all unlimited partnerships, limited partnerships and corporations that have at least one partner (even an outside partner in a limited partnership) who is Jewish. The report shall contain the share of the company's assets (or its revenues) owned by the Jewish partner.

14. §. (1) With respect to the implementation of this regulation, the determination as to who is a non-Jew or a Jew shall be regulated by Sections 9 and 16 of Act XV of 1941 with the stipulation that any person shall also be considered a non-Jew if, with respect to origin and religion, he/she meets the definition set forth in the last paragraph of §9, provided he has not married, or as long as he is not married to, a Jew or a non-Jew who has one or two grandparents born into the Israelite denomination.

(2) The provisions of this regulation do not extend to those Jews who

1. received a gold medal or at least two first class silver medals of valour for valiant conduct while fighting the enemy in the 1914-1918 war; or as a senior officer received the sword-decorated Iron Crown Order of the Third Class or higher, sword-decorated medals; or as a regular officer received a sword-decorated medal higher than the sword-decorated Iron Crown Order of the Third Class, as well as someone who is at least 75% crippled by the war, and finally those who are exempted by Section 6 of the first paragraph of §2 of Act IV of 1939, §66 of Act M.E. 7.720/1939 (Rt. 1939, p. 1173), §3 of Act M.E. 2.220/1941 (Rt. 1941 p. 318), or §2 of Act M.E. of 8.550/1941 (Rt. 1941. p. 3744)

2. the wife, widow, or child of the person described in point 1 who is living with him,

3. the war widows and war orphans of the current war,

4. those foreign citizens staying in Hungary who can prove their foreign citizenship by a certification issued by the National Central Authority Monitoring Foreign Citizens at the request of the relevant foreign service authority, provided that there is reciprocity in this respect with the state where the Jew is a citizen.

15. § The report shall contain any claim by the non-Jewish spouse of the person who is obliged to make the report with respect to joint property.

16. § The report, the land registry application or land registry registration related to the report, as well as the report to the court of registration, the registration in the trade register and the disclosure shall be free of fees or charges.

17 § (1) Unless the offence is subject to a more serious criminal regulation, it is punishable by two months of confinement, or six months during wartime, if a person violates or contravenes any regulations with respect to reporting, the ban on trading or mortgaging; attachment, deposit, notification of the safe keeper (guardian), cash payment, presenting inventory, commercial sales, providing data, maintaining assets, and performing agricultural work; or if he assists in their violation or contravention. Beyond criminal liability, police confinement (internment) can also be applied based on Act M.E. 8.130/1939 (Rt. 1939, p. 1269).

(2) Fines are regulated by provisions of Act X of 1928 with the stipulation that the highest amount of the fine is determined by the provision set forth in Section (1) of §1 of Act 212, II. of 1939. The conversion of fines and the offence's term of limitation shall be regulated by Sections (4) and (5) of the mentioned provision.

(3) The asset that is the subject of the violation shall be confiscated.

(4) The administrative authority or, in police operational areas, the H.R. police as criminal court, shall be responsible for legal proceedings resulting from the offence. The finance minister shall be regarded as the authorised minister with respect to the implementation of point 3 of Section (1), §59 of Act XXX of 1929. The finance minister shall act by consulting the respective minister competent in the nature of the asset.

18 § This regulation goes into effect on the day of publication (16 April 1914). The finance minister, in accord with other concerned ministers, shall provide for its implementation. In the interest of avoiding economic disruption, the ministry may adopt measures that differ from provisions of the regulation on business restrictions.

Budapest, 14 April 1944.

Signed by
Döme Sztójay
H.R. prime minister