§ 1.1402(g)–1

Internal Revenue Service, Treasury

§ 1.1402(g)–1 Treatment of certain remuneration erroneously reported as net earnings from self-employment.

(a) General rule. If an amount is erroneously paid as self-employment tax, for any taxable year ending after 1954 and before 1962, with respect to remuneration for service (other than service described in section 3121(b)(8)(A)) performed in the employ of an organization described in section 501(c)(3) and exempt from income tax under section 501(a), and if such remuneration is reported as self-employment income on a return filed on or before the due date prescribed for filing such return (including any extension thereof), the individual who paid such amount (or a fiduciary acting for such individual or his estate, or his survivor (within the meaning of section 205(c)(1)(C) of the Social Security Act)), may request that such remuneration be deemed to constitute net earnings from self-employment. If such request is filed during the period September 14, 1968, to April 16, 1962, inclusive, and on or after the date on which the organization which paid such remuneration to such individual for services performed in its employ has filed, pursuant to section 3121(k), a certificate waiving exemption from taxes under the Federal Insurance Contributions Act, and if no

§ 1.6012-3, a return (or amended return) of the tax imposed by chapter 2 for the taxable year ending as a result of death, and

(ii) Such return, if filed solely for the purpose of reporting net earnings from self-employment resulting from the enactment of section 1402(f), is accompanied by the amount of tax attributable to such net earnings.

(2) Administrative rule of special application. Notwithstanding the provisions of sections 6601, 6631, and 6653 (see such sections and the regulations thereunder) no interest or penalty shall be assessed or collected on the amount of any self-employment tax due solely by reason of the operation of section 1402(f) in the case of an individual who died after 1955 and before August 29, 1958.

credit or refund of any portion of the amount erroneously paid for such taxable year as self-employment tax (other than a credit or refund which would be allowable if such tax were applicable with respect to such remuneration) has been obtained before the date on which such request is filed or, if obtained, the amount credited or refunded (including any interest under section 6611) is repaid on or before such date, then, for purposes of the Self-Employment Contributions Act of 1954 and the Federal Insurance Contributions Act, any amount of such remuneration which is paid to such individual before the calendar quarter in which such request is filed (or before the succeeding quarter if such certificate first becomes effective with respect to services performed by such individual in such succeeding quarter) and with respect to which no tax (other than an amount erroneously paid as tax) has been paid under the Federal Insurance Contributions Act, shall be deemed to constitute net earnings from self-employment and not remuneration for employment. If the certificate filed by such organization pursuant to section 3121(k) is not effective with respect to services performed by such individual on or before the first day of the calendar quarter in which the request is filed, then, for purposes of section 3121(b)(8)(B) (ii) and (iii), such individual shall be deemed to have become an employee of such organization (or to have become a member of a group, described in section 3121(k)(1)(E), of employees of such organization) on the first day of the succeeding quarter.

(b) Request for validation. (1) No particular form is prescribed for making a request under paragraph (a) of this section. The request should be in writing, should be signed and dated by the person making the request, and should indicate clearly that it is a request that, pursuant to section 1402(g) of the Code, remuneration for service described in section 3121(b)(8) (other than service described in section 3121(b)(8)(A)) erroneously reported as self-employment income for one or more specified years be deemed to constitute net earnings from self-employment and not remuneration for employment. In addition, the following information shall be shown in connection with the request:

(i) The name, address, and social security account number of the individual with respect to whose remuneration the request is made.

(ii) The taxable year or years (ending after 1954 and before 1962) to which the request relates.

(iii) A statement that the remuneration was erroneously reported as self-employment income on the individual’s return for each year specified and that the return was filed on or before its due date (including any extension thereof).

(iv) Location of the office of the district director with whom each return was filed.

(v) A statement that no portion of the amount erroneously paid by the individual as self-employment tax with respect to the remuneration has been credited or refunded (other than a credit or refund which would have been allowable if the tax had been applicable with respect to the remuneration); or, if a credit or refund of any portion of such amount has been obtained, a statement identifying the credit or refund and showing how and when the amount credited or refunded, together with any interest received in connection therewith, was repaid.

(vi) The name and address of the organization which paid the remuneration to the individual.

(vii) The date on which the organization filed a waiver certificate on Form SS–15, and the location of the office of the district director with whom it was filed.

(viii) The date on which the certificate became effective with respect to services performed by the individual.

(ix) If the request is made by a person other than the individual to whom the remuneration was paid, the name and address of that person and evidence which shows the authority of such person to make the request.

(2) The request should be filed with the district director of internal revenue with whom the latest of the returns specified in the request pursuant to subparagraph (1)(iii) of this paragraph was filed.

(c) Cross references. For regulations relating to section 3121(b)(8) and (k), see §§31.3121(b)(8)–2 and 31.3121(k)–1 of
Internal Revenue Service, Treasury

§ 1.1402(h)–1 Members of certain religious groups opposed to insurance.

(a) In general. An individual—(1) Who is a member of a recognized religious sect or division thereof and,

(2) Who is an adherent of established tenets or teachings of such sect or division and by reason thereof is conscientiously opposed to acceptance of the benefits of any private or public insurance which makes payments in the event of death, disability, old age, or retirement or makes payments toward the cost of, or provides services for, medical care (including the benefits of any insurance system established by the Social Security Act),

may file an application for exemption from the tax under section 1401. The form of insurance to which section 1402(h) and this section refer does not include liability insurance of a kind that provides only for the protection of other persons, or property of other persons, who may be injured or damaged by or on property belonging to, or by an action of, an individual who otherwise meets the requirements of this section. An application for exemption under section 1402(h) and this section shall be made in the manner provided in paragraph (b) of this section and within the time specified in paragraph (c) of this section. For provisions relating to the filing of an application for exemption by a fiduciary or survivor, see paragraph (d) of this section.

(b) Application for exemption. The application for exemption shall be filed on Form 4029 in duplicate with the internal revenue official or office designated on the form. The filing of a return by a member of a religious group opposed to insurance showing no self-employment income (determined without regard to sub-sections (c)(6) and (h) of section 1402 and this section) for one or more taxable years ending before December 31, 1967, and

(ii) Who desires to be exempt from the payment of the self-employment tax under section 1401,

must file the application for exemption on or before December 31, 1968.

(2) Taxable year ending on or after December 31, 1967—(i) General rule. Except as provided in subdivision (ii) of this subparagraph, a member of a religious group opposed to insurance within the meaning of paragraph (a) of this section:

(a) Who has no self-employment income (determined without regard to subsections (c)(6) and (h) of section 1402 and this section) for any taxable year ending on or after December 31, 1967,

(b) Who desires to be exempt from the payment of the self-employment tax under section 1401 for any taxable year ending on or after December 31, 1967,

must file the application for exemption on or before the due date of the income tax return (see section 6072), including any extension thereof (see section 6081), for the first taxable year ending on or after December 31, 1967, for which he has self-employment income (determined without regard to subsections (c)(6) and (h) of section 1402 and this section.

(ii) Exception to general rule. If an individual to whom subdivision (i) of this subparagraph applies:

(a) Is notified in writing by a district director of internal revenue or the Director of International Operations that he has not filed the application for exemption on or before the date specified in such subdivision (i), and

(b) Files the application for exemption on or before the last day of the third calendar month following the calendar month in which he is so notified, such application shall be considered a timely filed application for exemption.

(d) Application by fiduciary or survivor. If an individual who was a member of a religious group opposed to insurance dies before the expiration of the time