§ 7501. Liability for taxes withheld or collected

(a) General rule
Whenever any person is required to collect or withhold any internal revenue tax from any other person and to pay over such tax to the United States, the amount of tax so collected or withheld shall be held to be a special fund in trust for the United States. The amount of such fund shall be assessed, collected, and paid in the same manner and subject to the same provisions and limitations (including penalties) as are applicable with respect to the taxes from which such fund arose.

(b) Penalties
For penalties applicable to violations of this section, see sections 6672 and 7202.

§ 7502. Timely mailing treated as timely filing and paying

(a) General rule

(1) Date of delivery
If any return, claim, statement, or other document, or currency or other medium of payment, is required to be filed, or any payment required to be made, within a prescribed period or on or before a prescribed date under authority of any provision of the internal revenue laws is, after such period or such date, delivered by United States mail to the agency, officer, or office with which the return, claim, statement, or other document is required to be filed, or to which such payment is required to be made, the date of the United States postmark stamped on the cover in which such return, claim, statement, or other document, or payment, is mailed shall be deemed to be the date of delivery or the date of payment, as the case may be.

(2) Mailing requirements
This subsection shall apply only if—
(A) the postmark date falls within the prescribed period or on or before the prescribed date—
(i) for the filing (including any extension granted for such filing) of the return, claim, statement, or other document, or
(ii) for making the payment (including any extension granted for making such payment), and
(B) the return, claim, statement, or other document, or payment was, within the time prescribed in subparagraph (A), deposited in the mail in the United States in an envelope or other appropriate wrapper, postage prepaid, properly addressed to the agency, officer, or office with which the return, claim, statement, or other document is required to be filed, or to which such payment is required to be made.

(b) Postmarks
This section shall apply in the case of postmarks not made by the United States Postal Service only if and to the extent provided by regulations prescribed by the Secretary.

(c) Registered and certified mailing; electronic filing

(1) Registered mail
For purposes of this section, if any return, claim, statement, or other document, or currency or other medium of payment, is sent by United States registered mail—
(A) such registration shall be prima facie evidence that the return, claim, statement, or other document was delivered to the agency, officer, or office to which addressed; and
(B) the date of registration shall be deemed the postmark date.

(2) Certified mail; electronic filing
The Secretary is authorized to provide by regulations the extent to which the provisions of paragraph (1) with respect to prima facie evidence of delivery and the postmark date shall apply to certified mail and electronic filing.

(d) Exceptions
This section shall not apply with respect to—
(1) the filing of a document in, or the making of a payment to, any court other than the Tax Court,
(2) currency or other medium of payment unless actually received and accounted for, or
(3) returns, claims, statements, or other documents, or payments, which are required under any provision of the internal revenue laws or the regulations thereunder to be delivered by any method other than by mailing.

(e) Mailing of deposits

(1) Date of deposit
If any deposit required to be made (pursuant to regulations prescribed by the Secretary under section 6302(c)) on or before a prescribed date is, after such date, delivered by the United States mail to the bank, trust company, domestic building and loan association, or credit union authorized to receive such deposit, such deposit shall be deemed received by such bank, trust company, domestic building and loan association, or credit union on the date the deposit was mailed.

(2) Mailing requirements
Paragraph (1) shall apply only if the person required to make the deposit establishes that—
(A) the date of mailing falls on or before the second day before the prescribed date for making the deposit (including any extension of time granted for making such deposit), and
(B) the deposit was, on or before such second day, mailed in the United States in an envelope or other appropriate wrapper, postage prepaid, properly addressed to the bank, trust company, domestic building and loan association, or credit union authorized to receive such deposit.

In applying subsection (c) for purposes of this subsection, the term “payment” includes “deposit”, and the reference to the postmark date refers to the date of mailing.

(3) No application to certain deposits

Paragraph (1) shall not apply with respect to any deposit of $20,000 or more by any person who is required to deposit any tax more than once a month.

(f) Treatment of private delivery services

(1) In general

Any reference in this section to the United States mail shall be treated as including a reference to any designated delivery service, and any reference in this section to a postmark by the United States Postal Service shall be treated as including a reference to any date recorded or marked as described in paragraph (2)(C) by any designated delivery service.

(2) Designated delivery service

For purposes of this subsection, the term “designated delivery service” means any delivery service provided by a trade or business if such service is designated by the Secretary for purposes of this section. The Secretary may designate a delivery service under the preceding sentence only if the Secretary determines that such service—

(A) is available to the general public,

(B) is at least as timely and reliable on a regular basis as the United States mail,

(C) records electronically to its data base, kept in the regular course of its business, or marks on the cover in which any item referred to in this section is to be delivered, the date on which such item was given to such trade or business for delivery, and

(D) meets such other criteria as the Secretary may prescribe.

(3) Equivalents of registered and certified mail

The Secretary may provide a rule similar to the rule of paragraph (1) with respect to any service provided by a designated delivery service which is substantially equivalent to United States registered or certified mail.


Editorial Notes

AMENDMENTS

1998—Subsec. (c). Pub. L. 105–206 inserted “; electronic filing” after “mailing” in heading and amended text of subsec. (c) generally. Prior to amendment, text read as follows:

“(1) REGISTERED MAIL.—For purposes of this section, if any such return, claim, statement, or other document, or payment, is sent by United States registered mail—

“(A) such registration shall be prima facie evidence that the return, claim, statement, or other document was delivered to the agency, officer, or office to which addressed, and

“(B) the date of registration shall be deemed the postmark date.

“(2) CERTIFIED MAIL.—The Secretary is authorized to provide by regulations the extent to which the provisions of paragraph (1) of this subsection with respect to prima facie evidence of delivery and the postmark date shall apply to certified mail.”


1977—Subsec. (e). Pub. L. 95–147 substituted “trust company, domestic building and loan association, or credit union” for “trust company” in three places.

1976—Subsec. (b). Pub. L. 94–455, §1906(a)(49), (b)(13)(A), substituted “United States Postal Service” for “United States Post Office” after “by the”, and struck out “or his delegate” after “Secretary”.

Subsecs. (c)(2), (e)(1). Pub. L. 94–455, §1906(b)(13)(A), struck out “or his delegate” after “Secretary”.


1966—Subsec. (a). Pub. L. 89–713 inserted filing of tax returns and the payments of tax to the list of operations to which the timely-mailing-timely-filing provisions of the subsec. apply and altered the subsec. structurally by dividing its provisions into pars. (1) and (2).


Subsec. (c). Pub. L. 89–713 inserted returns and payments to the list of operations to which the timely-mailing-timely-filing provisions apply and altered par. (1) structurally by dividing its provisions into subs. (A) and (B).

Subsec. (d). Pub. L. 89–713 designated existing provisions as par. (1) and added pars. (2) and (3).

1958—Subsec. (c). Pub. L. 85–866 designated existing provisions as par. (1) and added par. (2).

Statutory Notes and Related Subsidaries

EFFECTIVE DATE OF 1986 AMENDMENT


EFFECTIVE DATE OF 1984 AMENDMENT


EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–147 applicable to amounts deposited after Oct. 28, 1977, see section 3(c) of Pub. L. 95–147, set out as a note under section 6362 of this title.

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by Pub. L. 94–455 effective on first day of first month which begins more than 90 days after Oct. 4, 1976, see section 1906(d)(1) of Pub. L. 94–455, set out as a note under section 6013 of this title.
§ 7503  TITLE 26—INTERNAL REVENUE CODE

Statutory Notes and Related Subsidiaries

Applicability of This Section for Purposes of Section 10222(b) of Pub. L. 100–203

Pub. L. 100–647, title VI, §6278, Nov. 10, 1988, 102 Stat. 3754, provided that: "Section 7503 of the 1986 Code shall apply for purposes of determining whether any disposition meets the requirements of section 10222(b)(2)(B) of the Revenue Act of 1987 [Pub. L. 100–203, set out as a note under section 301 of this title]. If any disposition meets the requirements of such section by reason of the preceding sentence, for all purposes of the 1986 Code, such disposition shall be deemed to have occurred on December 31, 1988."

§ 7504. Fractional parts of a dollar

The Secretary may by regulations provide that in the allowance of any amount as a credit or refund, or in the collection of any amount as a deficiency or underpayment, of any tax imposed by this title, a fractional part of a dollar shall be disregarded, unless it amounts to 50 cents or more, in which case it shall be increased to 1 dollar.


Editorial Notes

AMENDMENTS

1976—Pub. L. 94–455 struck out "or his delegate" after "Secretary".

§ 7503. Time for performance of acts where last day falls on Saturday, Sunday, or legal holiday

When the last day prescribed under authority of the internal revenue laws for performing any act falls on Saturday, Sunday, or a legal holiday, the performance of such act shall be considered timely if it is performed on the next succeeding day which is not a Saturday, Sunday, or a legal holiday. For purposes of this section, the last day for the performance of any act shall be determined by including any authorized extension of time; the term "legal holiday" means a legal holiday in the District of Columbia; and in the case of any return, statement, or other document required to be filed, or any other act required under authority of the internal revenue laws to be performed, at any office of the Secretary or at any other office of the United States or any agency thereof, located outside the District of Columbia but within an internal revenue district, the term "legal holiday" also means a Statewide legal holiday in the State where such office is located.


Editorial Notes

AMENDMENTS

1976—Pub. L. 94–455 struck out "or his delegate" after "Secretary".

§ 7504. Fractional parts of a dollar

The Secretary may by regulations provide that in the allowance of any amount as a credit or refund, or in the collection of any amount as a deficiency or underpayment, of any tax imposed by this title, a fractional part of a dollar shall be disregarded, unless it amounts to 50 cents or more, in which case it shall be increased to 1 dollar.


Editorial Notes

AMENDMENTS

1976—Pub. L. 94–455 struck out "or his delegate" after "Secretary" wherever appearing.

1966—Pub. L. 89–719 substituted "acquired by the United States in payment of or as security for debts arising under the internal revenue laws" for "purchased by the United States under the authority of section 6335(e) (relating to purchase for the account of the United States of property sold under levy)" in subsec. (a), and substituted "acquired" for "purchased" in section catchline.

Statutory Notes and Related Subsidiaries

Effective Date of 1966 Amendment

Amendment by Pub. L. 89–719 applicable after Nov. 2, 1966, regardless of when title or lien of United States