

if such ozone-depleting chemicals had been sold in the United States on the date of the sale of such imported taxable product.

(B) Certain rules to apply

Rules similar to the rules of paragraphs (2) and (3) of section 4671(b) shall apply.

(Added Pub. L. 101-239, title VII, §7506(a), Dec. 19, 1989, 103 Stat. 2364; amended Pub. L. 101-508, title XI, §11203(c), Nov. 5, 1990, 104 Stat. 1388-422; Pub. L. 102-486, title XIX, §1931(a), Oct. 24, 1992, 106 Stat. 3029; Pub. L. 105-34, title XIV, §1432(c)(1), Aug. 5, 1997, 111 Stat. 1050.)

Editorial Notes

PRIOR PROVISIONS

A prior section 4681, added Pub. L. 96-510, title II, §231(a), Dec. 11, 1980, 94 Stat. 2804, was contained in subchapter C of this chapter prior to repeal by Pub. L. 99-499, title V, §514(a)(1), (c), Oct. 17, 1986, 100 Stat. 1767, effective Oct. 1, 1983, with provision for waiver of statute of limitations on claims for overpayment.

AMENDMENTS

1997—Subsec. (b)(1)(B). Pub. L. 105-34 added subpar. (B) and struck out heading and text of former subpar. (B). Text read as follows: “The base tax amount for purposes of subparagraph (A) with respect to any sale or use during a calendar year before 1996 with respect to any ozone-depleting chemical is the amount determined under the following table for such calendar year:

“Calendar year:”	Base tax amount:
1993	3.35
1994	4.35
1995	5.35.”

Subsec. (b)(1)(C). Pub. L. 105-34 struck out heading and text of subpar. (C). Text read as follows: “The base tax amount for purposes of subparagraph (A) with respect to any sale or use of an ozone-depleting chemical during a calendar year after the last year specified in the table under subparagraph (B) applicable to such chemical shall be the base tax amount for such last year increased by 45 cents for each year after such last year.”

1992—Subsec. (b)(1)(B). Pub. L. 102-486 amended subpar. (B) generally, substituting present provisions for former provisions which provided for base tax amounts in cl. (i) of initially listed chemicals for 1990 to 1994 and in cl. (ii) of newly listed chemicals for 1991 to 1995.

1990—Subsec. (b)(1)(B). Pub. L. 101-508 amended subpar. (B) generally, designating existing provision as cl. (i), inserting “with respect to any ozone-depleting chemical other than a newly listed chemical (as defined in section 4682(d)(3)(C))”, and adding cl. (ii).

Subsec. (b)(1)(C). Pub. L. 101-508 amended subpar. (C) generally. Prior to amendment, subpar. (C) read as follows: “The base tax amount for purposes of subparagraph (A) with respect to any sale or use during a calendar year after 1994 shall be the base tax amount for 1994 increased by 45 cents for each year after 1994.”

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1992 AMENDMENT

Pub. L. 102-486, title XIX, §1931(d), Oct. 24, 1992, 106 Stat. 3029, provided that: “The amendments made by this section [amending this section and section 4682 of this title] shall apply to taxable chemicals sold or used on or after January 1, 1993.”

EFFECTIVE DATE OF 1990 AMENDMENT

Pub. L. 101-508, title XI, §11203(e), Nov. 5, 1990, 104 Stat. 1388-423, provided that: “The amendments made

by this section [amending this section and section 4682 of this title] shall take effect on January 1, 1991.”

EFFECTIVE DATE

Pub. L. 101-239, title VII, §7506(c), Dec. 19, 1989, 103 Stat. 2369, provided that:

“(1) IN GENERAL.—The amendments made by this section [enacting this subchapter] shall take effect on January 1, 1990.

“(2) NO DEPOSITS REQUIRED BEFORE APRIL 1, 1990.—No deposit of any tax imposed by subchapter D of chapter 38 of the Internal Revenue Code of 1986, as added by this section, shall be required to be made before April 1, 1990.

“(3) NOTIFICATION OF CHANGES IN INTERNATIONAL AGREEMENTS.—The Secretary of the Treasury or his delegate shall notify the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate of changes in the Montreal Protocol and of other international agreements to which the United States is a signatory relating to ozone-depleting chemicals.”

§ 4682. Definitions and special rules

(a) Ozone-depleting chemical

For purposes of this subchapter—

(1) In general

The term “ozone-depleting chemical” means any substance—

(A) which, at the time of the sale or use by the manufacturer, producer, or importer, is listed as an ozone-depleting chemical in the table contained in paragraph (2), and

(B) which is manufactured or produced in the United States or entered into the United States for consumption, use, or warehousing.

(2) Ozone-depleting chemicals

Common name:	Chemical nomenclature:
CFC-11	trichlorofluoromethane
CFC-12	dichlorodifluoromethane
CFC-113	trichlorotrifluoroethane
CFC-114	1,2-dichloro-1,1,2,2-tetrafluoroethane
CFC-115	chloropentafluoroethane
Halon-1211	bromochlorodifluoromethane
Halon-1301	bromotrifluoromethane
Halon-2402	dibromotetrafluoroethane
Carbon tetrachloride	Tetrachloromethane
Methyl chloroform	1,1,1-trichloroethane
CFC-13	CF3Cl
CFC-111	C2FCl5
CFC-112	C2F2Cl4
CFC-211	C3FC17
CFC-212	C3F2Cl6
CFC-213	C3F3Cl5
CFC-214	C3F4Cl4
CFC-215	C3F5Cl3
CFC-216	C3F6Cl2
CFC-217	C3F7Cl.

(b) Ozone-depletion factor

For purposes of this subchapter, the term “ozone-depletion factor” means, with respect to an ozone-depleting chemical, the factor assigned to such chemical under the following table:

Ozone-depleting chemical:	Ozone-depletion factor:
CFC-11	1.0
CFC-12	1.0
CFC-113	0.8
CFC-114	1.0
CFC-115	0.6
Halon-1211	3.0

Ozone-depleting chemical:	Ozone-depletion factor:
Halon-1301	10.0
Halon-2402	6.0
Carbon tetrachloride	1.1
Methyl chloroform	0.1
CFC-13	1.0
CFC-111	1.0
CFC-112	1.0
CFC-211	1.0
CFC-212	1.0
CFC-213	1.0
CFC-214	1.0
CFC-215	1.0
CFC-216	1.0
CFC-217	1.0

(c) Imported taxable product

For purposes of this subchapter—

(1) In general

The term “imported taxable product” means any product (other than an ozone-depleting chemical) entered into the United States for consumption, use, or warehousing if any ozone-depleting chemical was used as material in the manufacture or production of such product.

(2) De minimis exception

The term “imported taxable product” shall not include any product specified in regulations prescribed by the Secretary as using a de minimis amount of ozone-depleting chemicals as materials in the manufacture or production thereof. The preceding sentence shall not apply to any product in which any ozone-depleting chemical (other than methyl chloroform) is used for purposes of refrigeration or air conditioning, creating an aerosol or foam, or manufacturing electronic components.

(d) Exceptions**(1) Recycling**

No tax shall be imposed by section 4681 on any ozone-depleting chemical which is diverted or recovered in the United States as part of a recycling process (and not as part of the original manufacturing or production process), or on any recycled Halon-1301 or recycled Halon-2402 imported from any country which is a signatory to the Montreal Protocol on Substances that Deplete the Ozone Layer.

(2) Use in further manufacture**(A) In general**

No tax shall be imposed by section 4681—

(i) on the use of any ozone-depleting chemical in the manufacture or production of any other chemical if the ozone-depleting chemical is entirely consumed in such use,

(ii) on the sale by the manufacturer, producer, or importer of any ozone-depleting chemical—

(I) for a use by the purchaser which meets the requirements of clause (i), or

(II) for resale by the purchaser to a second purchaser for a use by the second purchaser which meets the requirements of clause (i).

Clause (ii) shall apply only if the manufacturer, producer, and importer, and the 1st

and 2d purchasers (if any), meet such registration requirements as may be prescribed by the Secretary.

(B) Credit or refund

Under regulations prescribed by the Secretary, if—

(i) a tax under this subchapter was paid with respect to any ozone-depleting chemical, and

(ii) such chemical was used (and entirely consumed) by any person in the manufacture or production of any other chemical,

then an amount equal to the tax so paid shall be allowed as a credit or refund (without interest) to such person in the same manner as if it were an overpayment of tax imposed by section 4681.

(3) Exports**(A) In general**

Except as provided in subparagraph (B), rules similar to the rules of section 4662(e) (other than section 4662(e)(2)(A)(ii)(II)) shall apply for purposes of this subchapter.

(B) Limit on benefit**(i) In general**

The aggregate tax benefit allowable under subparagraph (A) with respect to ozone-depleting chemicals manufactured, produced, or imported by any person during a calendar year shall not exceed the sum of—

(I) the amount equal to the 1986 export percentage of the aggregate tax which would (but for this subsection and subsection (g)) be imposed by this subchapter with respect to the maximum quantity of ozone-depleting chemicals permitted to be manufactured or produced by such person during such calendar year under regulations prescribed by the Environmental Protection Agency (other than chemicals with respect to which subclause (II) applies),

(II) the aggregate tax which would (but for this subsection and subsection (g)) be imposed by this subchapter with respect to any additional production allowance granted to such person with respect to ozone-depleting chemicals manufactured or produced by such person during such calendar year by the Environmental Protection Agency under 40 CFR Part 82 (as in effect on September 14, 1989), and

(III) the aggregate tax which was imposed by this subchapter with respect to ozone-depleting chemicals imported by such person during the calendar year.

(ii) 1986 export percentage

A person's 1986 export percentage is the percentage equal to the ozone-depletion factor adjusted pounds of ozone-depleting chemicals manufactured or produced by such person during 1986 which were exported during 1986, divided by the ozone-depletion factor adjusted pounds of all ozone-depleting chemicals manufactured or produced by such person during 1986.

The percentage determined under the preceding sentence shall be computed by taking into account the sum of such person's direct 1986 exports (as determined by the Environmental Protection Agency) and such person's indirect 1986 exports (as allocated to such person by such Agency in determining such person's consumption and production rights for ozone-depleting chemicals).

(C) Separate application of limit for newly listed chemicals

(i) In general

Subparagraph (B) shall be applied separately with respect to newly listed chemicals and other chemicals.

(ii) Application to newly listed chemicals

In applying subparagraph (B) to newly listed chemicals—

(I) subparagraph (B) shall be applied by substituting "1989" for "1986" each place it appears, and

(II) clause (i)(II) thereof shall be applied by substituting for the regulations referred to therein any regulations (whether or not prescribed by the Secretary) which the Secretary determines are comparable to the regulations referred to in such clause with respect to newly listed chemicals.

(iii) Newly listed chemical

For purposes of this subparagraph, the term "newly listed chemical" means any substance which appears in the table contained in subsection (a)(2) below Halon-2402.

(e) Other definitions

For purposes of this subchapter—

(1) Importer

The term "importer" means the person entering the article for consumption, use, or warehousing.

(2) United States

The term "United States" has the meaning given such term by section 4612(a)(4).

(f) Special rules

(1) Fractional parts of a pound

In the case of a fraction of a pound, the tax imposed by this subchapter shall be the same fraction of the amount of such tax imposed on a whole pound.

(2) Disposition of revenues from Puerto Rico and the Virgin Islands

The provisions of subsections (a)(3) and (b)(3) of section 7652 shall not apply to any tax imposed by this subchapter.

(g) Chemicals used as propellants in metered-dose inhalers

(1) Exemption from tax

(A) In general

No tax shall be imposed by section 4681 on—

(i) any use of any substance as a propellant in metered-dose inhalers, or

(ii) any qualified sale by the manufacturer, producer, or importer of any substance.

(B) Qualified sale

For purposes of subparagraph (A), the term "qualified sale" means any sale by the manufacturer, producer, or importer of any substance—

(i) for use by the purchaser as a propellant in metered dose inhalers, or

(ii) for resale by the purchaser to a 2d purchaser for such use by the 2d purchaser.

The preceding sentence shall apply only if the manufacturer, producer, and importer, and the 1st and 2d purchasers (if any) meet such registration requirements as may be prescribed by the Secretary.

(2) Overpayments

If any substance on which tax was paid under this subchapter is used by any person as a propellant in metered-dose inhalers, credit or refund without interest shall be allowed to such person in an amount equal to the tax so paid. Amounts payable under the preceding sentence with respect to uses during the taxable year shall be treated as described in section 34(a) for such year unless claim thereof has been timely filed under this paragraph.

(h) Imposition of floor stocks taxes

(1) In general

(A) In general

If, on any tax-increase date, any ozone-depleting chemical is held by any person (other than the manufacturer, producer, or importer thereof) for sale or for use in further manufacture, there is hereby imposed a floor stocks tax.

(B) Amount of tax

The amount of the tax imposed by subparagraph (A) shall be the excess (if any) of—

(i) the tax which would be imposed under section 4681 on such substance if the sale of such chemical by the manufacturer, producer, or importer thereof had occurred on the tax-increase date, over

(ii) the prior tax (if any) imposed by this subchapter on such substance.

(C) Tax-increase date

For purposes of this paragraph, the term "tax-increase date" means January 1 of any calendar year.

(2) Due date

The taxes imposed by this subsection on January 1 of any calendar year shall be paid on or before June 30 of such year.

(3) Application of other laws

All other provisions of law, including penalties, applicable with respect to the taxes imposed by section 4681 shall apply to the floor stocks taxes imposed by this subsection.

(Added Pub. L. 101-239, title VII, §7506(a), Dec. 19, 1989, 103 Stat. 2365; amended Pub. L. 101-508, title XI, §§11203(a), (b), (d), 11701(g), Nov. 5, 1990, 104 Stat. 1388-421, 1388-422, 1388-508; Pub. L.

102-486, title XIX, §§1931(b), (c), 1932(a)–(c), Oct. 24, 1992, 106 Stat. 3029-3031; Pub. L. 104-188, title I, §1803(a)(1), (b), Aug. 20, 1996, 110 Stat. 1892, 1893; Pub. L. 105-34, title IX, §903(a), title XIV, §1432(c)(2), Aug. 5, 1997, 111 Stat. 873, 1051; Pub. L. 113-295, div. A, title II, §221(a)(107), Dec. 19, 2014, 128 Stat. 4053.)

Editorial Notes

PRIOR PROVISIONS

A prior section 4682, added Pub. L. 96-510, title II, §231(a), Dec. 11, 1980, 94 Stat. 2804, was contained in subchapter C of this chapter, prior to repeal by Pub. L. 99-499, title V, §514(a)(1), (c), Oct. 17, 1986, 100 Stat. 1767, effective Oct. 1, 1983, with provision for waiver of statute of limitations on claims for overpayment.

AMENDMENTS

2014—Subsec. (h). Pub. L. 113-295 redesignated pars. (2) to (4) as (1) to (3), respectively, in par. (1), as so redesignated, substituted “In general” for “Other tax-increase dates” in heading and struck out “after 1991” after “calendar year” in subpar. (C), and struck out former par. (1), which read as follows: “On any ozone-depleting chemical which on January 1, 1990, is held by any person (other than the manufacturer, producer, or importer thereof) for sale or for use in further manufacture, there is hereby imposed a floor stocks tax in an amount equal to the tax which would be imposed by section 4681 on such chemical if the sale of such chemical by the manufacturer, producer, or importer thereof had occurred during 1990.”

1997—Subsec. (d)(1). Pub. L. 105-34, §903(a), substituted “recycled Halon-1301 or recycled Halon-2402” for “recycled halon”.

Subsec. (g). Pub. L. 105-34, §1432(c)(2), amended subsec. (g) generally. Prior to amendment, subsec. (g) consisted of pars. (1) to (5) relating to taxes imposed during 1990 to 1993 on halons, chemicals used in rigid foam insulation, and methyl chloroform and taxes imposed on chemicals used as propellants in metered-dose inhalers.

1996—Subsec. (d)(1). Pub. L. 104-188, §1803(a)(1), inserted before period at end “, or on any recycled halon imported from any country which is a signatory to the Montreal Protocol on Substances that Deplete the Ozone Layer”.

Subsec. (g)(4). Pub. L. 104-188, §1803(b), amended par. (4) generally, substituting provisions relating to chemicals used as propellants in metered-dose inhalers for provisions relating to chemicals used for sterilizing medical instruments and as propellants in metered-dose inhalers, including provisions relating to rate of tax, overpayments, and applicable period.

1992—Subsec. (g)(2)(A). Pub. L. 102-486, §1932(a), in table, for sales or use during 1993, decreased applicable percentages from 3.3, 1.0, and 1.6 to 2.49, 0.75, and 1.24 in the case of Halon-1211, Halon-1301, and Halon-2402, respectively, and struck out applicable percentages for sales or use during 1991 and 1992.

Subsec. (g)(2)(B). Pub. L. 102-486, §1931(b), in table decreased applicable percentage in the case of sales or use in 1993 from 10 to 7.46.

Subsec. (g)(4), (5). Pub. L. 102-486, §1932(b), (c), added pars. (4) and (5).

Subsec. (h)(2)(C). Pub. L. 102-486, §1931(c), substituted “any calendar year after 1991” for “1991, 1992, 1993, and 1994”.

1990—Subsecs. (a)(2), (b). Pub. L. 101-508, §11203(a), inserted items for “Carbon tetrachloride” through “CFC-217” in tables.

Subsec. (c)(2). Pub. L. 101-508, §11203(d)(1), inserted “(other than methyl chloroform)”.

Subsec. (d)(3)(B)(i). Pub. L. 101-508, §11701(g)(1), substituted “, produced, or imported” for “or produced” in introductory provisions.

Subsec. (d)(3)(B)(i)(I). Pub. L. 101-508, §11701(g)(2), amended subcl. (I) generally. Prior to amendment,

subcl. (I) read as follows: “the amount equal to the 1986 export percentage of the aggregate tax imposed by this subchapter with respect to ozone-depleting chemicals manufactured or produced by such person during such calendar year (other than chemicals with respect to which subclause (II) applies), and”.

Subsec. (d)(3)(B)(i)(II). Pub. L. 101-508, §11701(g)(3), substituted “tax which would (but for this subsection and subsection (g)) be imposed” for “tax imposed”.

Subsec. (d)(3)(B)(i)(III). Pub. L. 101-508, §11701(g)(4), added subcl. (III).

Subsec. (d)(3)(B)(ii). Pub. L. 101-508, §11701(g)(5), substituted last sentence for former last sentence which read as follows: “The percentage determined under the preceding sentence shall be based on data published by the Environmental Protection Agency.”

Subsec. (d)(3)(C). Pub. L. 101-508, §11203(b), added subpar. (C).

Subsec. (h)(3). Pub. L. 101-508, §11203(d)(2), substituted “June 30” for “April 1”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2014 AMENDMENT

Amendment by Pub. L. 113-295 effective Dec. 19, 2014, subject to a savings provision, see section 221(b) of Pub. L. 113-295, set out as a note under section 1 of this title.

EFFECTIVE DATE OF 1997 AMENDMENT

Pub. L. 105-34, title IX, §903(b), Aug. 5, 1997, 111 Stat. 873, provided that: “The amendment made by subsection (a) [amending this section] shall take effect on the date of the enactment of this Act [Aug. 5, 1997].”

EFFECTIVE DATE OF 1996 AMENDMENT

Pub. L. 104-188, title I, §1803(c), Aug. 20, 1996, 110 Stat. 1893, provided that:

“(1) RECYCLED HALON.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), the amendment made by subsection (a)(1) [amending this section] shall take effect on January 1, 1997.

“(B) HALON-1211.—In the case of Halon-1211, the amendment made by subsection (a)(1) shall take effect on January 1, 1998.

“(2) METERED-DOSE INHALERS.—The amendment made by subsection (b) [amending this section] shall take effect on the 7th day after the date of the enactment of this Act [Aug. 20, 1996].”

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by section 1931(b), (c) of Pub. L. 102-486 applicable to taxable chemicals sold or used on or after Jan. 1, 1993, see section 1931(d) of Pub. L. 102-486, set out as a note under section 4681 of this title.

Pub. L. 102-486, title XIX, §1932(d), Oct. 24, 1992, 106 Stat. 3031, provided that: “The amendments made by this section [amending this section] shall apply to sales and uses on or after January 1, 1993.”

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by section 11203(a), (b), and (d) of Pub. L. 101-508 effective Jan. 1, 1991, see section 11203(e) of Pub. L. 101-508, set out as a note under section 4681 of this title.

Amendment by section 11701(g) of Pub. L. 101-508 effective, except as otherwise provided, as if included in the provision of the Revenue Reconciliation Act of 1989, Pub. L. 101-239, title VII, to which such amendment relates, see section 11701(n) of Pub. L. 101-508, set out as a note under section 42 of this title.

CERTIFICATION SYSTEM

Pub. L. 104-188, title I, §1803(a)(2), Aug. 20, 1996, 110 Stat. 1892, provided that: “The Secretary of the Treasury, after consultation with the Administrator of the Environmental Protection Agency, shall develop a certification system to ensure compliance with the recy-

cling requirement for imported halon under section 4682(d)(1) of the Internal Revenue Code of 1986, as amended by paragraph (1).”

DEPOSITS FOR FIRST QUARTER OF 1991

Pub. L. 101-508, title XI, §11203(f), Nov. 5, 1990, 104 Stat. 1388-423, provided that: “No deposit of any tax imposed by subchapter D of chapter 38 of the Internal Revenue Code of 1986 on any substance treated as an ozone-depleting chemical by reason of the amendment made by subsection (a)(1) [amending this section] shall be required to be made before April 1, 1991.”

CHAPTER 39—REGISTRATION-REQUIRED OBLIGATIONS

Sec.
4701. Tax on issuer of registration-required obligation not in registered form.

Editorial Notes

PRIOR PROVISIONS

The provisions of a prior chapter 39, Regulatory Taxes, were set out as:

Subchapter A, Narcotic Drugs and Marihuana, comprising sections 4701 to 4707, 4711 to 4716, 4721 to 4726, 4731 to 4736, 4741 to 4746, 4751 to 4757, 4761, 4762, and 4771 to 4776.

Subchapter B, White phosphorus matches, comprising sections 4801 to 4806.

Subchapter C, Adulterated butter and filled cheese, comprising sections 4811 to 4819, 4821, 4822, 4826, 4831 to 4836, 4841, 4842, and 4846.

Subchapter D, Cotton futures, comprising sections 4851 to 4854, 4861 to 4865, and 4871 to 4877.

Subchapter E, Circulation other than of national banks, comprising sections 4881 to 4886.

Subchapter F, Silver bullion, comprising sections 4891 to 4897.

Prior sections 4701 to 4897 were based on act Aug. 16, 1954, ch. 736, 68A Stat. 549-592, as amended.

Sections 4701-4776 were repealed by Pub. L. 91-513, title III, §1101(b)(3)(A), Oct. 27, 1970, 84 Stat. 1292. See section 801 et seq. of Title 21, Food and Drugs.

Sections 4801-4826, 4851-4873, and 4875-4886 were repealed by Pub. L. 94-455, title XIX, §§1904(a)(16)-(18), 1952(b), Oct. 4, 1976, 90 Stat. 1814, 1841.

Sections 4831-4834 and 4836-4846 were repealed by Pub. L. 93-490, §3(a)(1), Oct. 26, 1974, 88 Stat. 1466.

Section 4835 was repealed by Pub. L. 85-881, §1(b)(1), Sept. 2, 1958, 72 Stat. 1704.

Section 4874 was repealed by Pub. L. 91-452, title II, §231(a), Oct. 15, 1970, 84 Stat. 930.

Sections 4891-4897 were repealed by Pub. L. 88-36, title II, §201(a), June 4, 1963, 77 Stat. 54.

AMENDMENTS

1982—Pub. L. 97-248, title III, §310(b)(4)(A), Sept. 3, 1982, 96 Stat. 597, added chapter heading and section analysis.

§ 4701. Tax on issuer of registration-required obligation not in registered form

(a) Imposition of tax

In the case of any person who issues a registration-required obligation which is not in registered form, there is hereby imposed on such person on the issuance of such obligation a tax in an amount equal to the product of—

(1) 1 percent of the principal amount of such obligation, multiplied by

(2) the number of calendar years (or portions thereof) during the period beginning on the date of issuance of such obligation and ending on the date of maturity.

(b) Definitions

For purposes of this section—

(1) Registration-required obligation

(A) In general

The term “registration-required obligation” has the same meaning as when used in section 163(f), except that such term shall not include any obligation which—

- (i) is required to be registered under section 149(a), or
- (ii) is described in subparagraph (B).

(B) Certain obligations not included

An obligation is described in this subparagraph if—

- (i) there are arrangements reasonably designed to ensure that such obligation will be sold (or resold in connection with the original issue) only to a person who is not a United States person,
- (ii) interest on such obligation is payable only outside the United States and its possessions, and
- (iii) on the face of such obligation there is a statement that any United States person who holds such obligation will be subject to limitations under the United States income tax laws.

(2) Registered form

The term “registered form” has the same meaning as when used in section 163(f).

(Added Pub. L. 97-248, title III, §310(b)(4)(A), Sept. 3, 1982, 96 Stat. 598; amended Pub. L. 99-514, title XIII, §1301(j)(5), Oct. 22, 1986, 100 Stat. 2657; Pub. L. 111-147, title V, §502(e), Mar. 18, 2010, 124 Stat. 108.)

Editorial Notes

AMENDMENTS

2010—Subsec. (b)(1). Pub. L. 111-147 amended par. (1) generally. Prior to amendment, text read as follows: “The term ‘registration-required obligation’ has the same meaning as when used in section 163(f), except that such term shall not include any obligation required to be registered under section 149(a).”

1986—Subsec. (b)(1). Pub. L. 99-514 substituted “section 149(a)” for “section 103(j)”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-147 applicable to obligations issued after the date which is 2 years after Mar. 18, 2010, see section 502(f) of Pub. L. 111-147, set out as a note under section 149 of this title.

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by Pub. L. 99-514 applicable to bonds issued after Aug. 15, 1986, except as otherwise provided, see sections 1311 to 1318 of Pub. L. 99-514, set out as an Effective Date; Transitional Rules note under section 141 of this title.

EFFECTIVE DATE

Section applicable to obligations issued after Dec. 31, 1982, with an exception for certain warrants, see section 310(d)(1), (3) of Pub. L. 97-248, set out as an Effective Date of 1982 Amendment note under section 103 of this title.