

1978—Pub. L. 95-600, title I, §112(c)(2), Nov. 6, 1978, 92 Stat. 2778, added item 6050B.

1976—Pub. L. 94-455, title X, §1013(e)(5), Oct. 4, 1976, 90 Stat. 1616, substituted “as to certain foreign trusts” for “as to creation of or transfer to certain foreign trusts” in item 6048.

1969—Pub. L. 91-172, title I, §121(e)(2), Dec. 30, 1969, 83 Stat. 548, added item 6050.

1962—Pub. L. 87-834, §§7(i)(2), 19(g)(1), 20(d)(2), Oct. 16, 1962, 76 Stat. 989, 1058, 1063, substituted “payments of dividends and corporate earnings and profits” for “corporate dividends, earnings and profits” in item 6042, substituted “organization or reorganization of foreign corporations and as to acquisitions of their stock” for “creation or organization, or reorganization, of foreign corporations” in item 6046, inserted “payments of” in item 6044, and added items 6048 and 6049.

Pub. L. 87-792, §7(m)(2), Oct. 10, 1962, 76 Stat. 831, added item 6047.

1960—Pub. L. 86-780, §7(b), Sept. 14, 1960, 74 Stat. 1016, substituted “Returns as to creation or organization, or reorganization, of foreign corporations” for “Returns as to formation or reorganization of foreign corporations,” in item 6046.

§ 6041. Information at source

(a) Payments of \$600 or more

All persons engaged in a trade or business and making payment in the course of such trade or business to another person, of rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable gains, profits, and income (other than payments to which section 6042(a)(1), 6044(a)(1), 6047(e), 6049(a), or 6050N(a) applies, and other than payments with respect to which a statement is required under the authority of section 6042(a)(2), 6044(a)(2), or 6045), of \$600 or more in any taxable year, or, in the case of such payments made by the United States, the officers or employees of the United States having information as to such payments and required to make returns in regard thereto by the regulations hereinafter provided for, shall render a true and accurate return to the Secretary, under such regulations and in such form and manner and to such extent as may be prescribed by the Secretary, setting forth the amount of such gains, profits, and income, and the name and address of the recipient of such payment.

(b) Collection of foreign items

In the case of collections of items (not payable in the United States) of interest upon the bonds of foreign countries and interest upon the bonds of and dividends from foreign corporations by any person undertaking as a matter of business or for profit the collection of foreign payments of such interest or dividends by means of coupons, checks, or bills of exchange, such person shall make a return according to the forms or regulations prescribed by the Secretary, setting forth the amount paid and the name and address of the recipient of each such payment.

(c) Recipient to furnish name and address

When necessary to make effective the provisions of this section, the name and address of the recipient of income shall be furnished upon demand of the person paying the income.

(d) Statements to be furnished to persons with respect to whom information is required

Every person required to make a return under subsection (a) shall furnish to each person with

respect to whom such a return is required a written statement showing—

(1) the name, address, and phone number of the information contact of the person required to make such return, and

(2) the aggregate amount of payments to the person required to be shown on the return.

The written statement required under the preceding sentence shall be furnished to the person on or before January 31 of the year following the calendar year for which the return under subsection (a) was required to be made. To the extent provided in regulations prescribed by the Secretary, this subsection shall also apply to persons required to make returns under subsection (b).

(e) Section does not apply to certain tips

This section shall not apply to tips with respect to which section 6053(a) (relating to reporting of tips) applies.

(f) Section does not apply to certain health arrangements

This section shall not apply to any payment for medical care (as defined in section 213(d)) made under—

(1) a flexible spending arrangement (as defined in section 106(c)(2)), or

(2) a health reimbursement arrangement which is treated as employer-provided coverage under an accident or health plan for purposes of section 106.

(g) Nonqualified deferred compensation

Subsection (a) shall apply to—

(1) any deferrals for the year under a nonqualified deferred compensation plan (within the meaning of section 409A(d)), whether or not paid, except that this paragraph shall not apply to deferrals which are required to be reported under section 6051(a)(13) (without regard to any de minimis exception), and

(2) any amount includible under section 409A and which is not treated as wages under section 3401(a).

(Aug. 16, 1954, ch. 736, 68A Stat. 745; Pub. L. 87-834, §19(f), Oct. 16, 1962, 76 Stat. 1058; Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 95-600, title V, §501(b), Nov. 6, 1978, 92 Stat. 2878; Pub. L. 97-34, title VII, §723(b)(1), Aug. 13, 1981, 95 Stat. 344; Pub. L. 97-248, title III, §309(b)(1), Sept. 3, 1982, 96 Stat. 595; Pub. L. 98-369, div. A, title VII, §722(h)(4)(B), July 18, 1984, 98 Stat. 976; Pub. L. 99-514, title XV, §§1501(c)(1), 1523(b)(2), Oct. 22, 1986, 100 Stat. 2736, 2748; Pub. L. 104-168, title XII, §1201(a)(1), July 30, 1996, 110 Stat. 1469; Pub. L. 108-173, title XII, §1203(a), Dec. 8, 2003, 117 Stat. 2480; Pub. L. 108-357, title VIII, §885(b)(3), Oct. 22, 2004, 118 Stat. 1640; Pub. L. 111-148, title IX, §9006(a), (b), Mar. 23, 2010, 124 Stat. 855; Pub. L. 111-240, title II, §2101(a), Sept. 27, 2010, 124 Stat. 2561; Pub. L. 112-9, §§2(a), (b), 3(a), Apr. 14, 2011, 125 Stat. 36.)

Editorial Notes

AMENDMENTS

2011—Subsec. (a). Pub. L. 112-9, §2(b), struck out “amounts in consideration for property,” after “salaries, wages,” “gross proceeds,” after “emoluments, or

other”, and “gross proceeds,” after “setting forth the amount of such”.

Subsec. (h). Pub. L. 112-9, §3(a), struck out subsec. (h) which related to treatment of rental property expense payments.

Subsecs. (i), (j). Pub. L. 112-9, §2(a), struck out subsecs. (i) and (j) which read as follows:

“(i) APPLICATION TO CORPORATIONS.—Notwithstanding any regulation prescribed by the Secretary before the date of the enactment of this subsection, for purposes of this section the term ‘person’ includes any corporation that is not an organization exempt from tax under section 501(a).

“(j) REGULATIONS.—The Secretary may prescribe such regulations and other guidance as may be appropriate or necessary to carry out the purposes of this section, including rules to prevent duplicative reporting of transactions.”

2010—Subsec. (a). Pub. L. 111-148, §9006(b), inserted “amounts in consideration for property,” after “salaries, wages,” “gross proceeds,” after “emoluments, or other”, and “gross proceeds,” after “setting forth the amount of such”.

Subsec. (h). Pub. L. 111-240 added subsec. (h). Former subsec. (h) redesignated (i).

Pub. L. 111-148, §9006(a), added subsec. (h).

Subsec. (i). Pub. L. 111-240 redesignated subsec. (h) as (i). Former subsec. (i) redesignated (j).

Pub. L. 111-148, §9006(a), added subsec. (i).

Subsec. (j). Pub. L. 111-240 redesignated subsec. (i) as (j).

2004—Subsec. (g). Pub. L. 108-357 added subsec. (g).

2003—Subsec. (f). Pub. L. 108-173 added subsec. (f).

1996—Subsec. (d)(1). Pub. L. 104-168 substituted “name, address, and phone number of the information contact” for “name and address”.

1986—Subsec. (a). Pub. L. 99-514, §1523(b)(2), substituted “6049(a), or 6050N(a)” for “or 6049(a)”.

Subsec. (d). Pub. L. 99-514, §1501(c)(1), in amending subsec. (d) generally, substituted “information is required” for “information is furnished” in heading and, in text, substituted references to persons required to make returns for former references to persons making returns.

1984—Subsec. (a). Pub. L. 98-369 inserted “6047(e)”,.

1982—Subsec. (a). Pub. L. 97-248 substituted “6049(a)” for “6049(a)(1)”, and “or 6045” for “6045, 6049(a)(2), or 6049(a)(3)”.

1981—Subsecs. (d), (e). Pub. L. 97-34 added subsec. (d) and redesignated former subsec. (d) as (e).

1978—Subsecs. (c), (d). Pub. L. 95-600 added subsec. (d) and redesignated subsec. (d) as (c).

1976—Subsecs. (a), (b). Pub. L. 94-455 struck out “or his delegate” after “Secretary”.

1962—Subsec. (a). Pub. L. 87-834, §19(f)(1), substituted “(other than payments to which section 6042(a)(1), 6044(a)(1), or 6049(a)(1) applies, and other than payments with respect to which a statement is required under the authority of section 6042(a)(2), 6044(a)(2), 6045, 6049(a)(2), or 6049(a)(3)” for “other than payments described in section 6042(1) or section 6045)”.

Subsec. (c). Pub. L. 87-834, §19(f)(2), repealed subsec. (c) which related to returns of payments of interest by corporations.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2011 AMENDMENT

Pub. L. 112-9, §2(c), Apr. 14, 2011, 125 Stat. 36, provided that: “The amendments made by this section [amending this section] shall apply to payments made after December 31, 2011.”

Pub. L. 112-9, §3(b), Apr. 14, 2011, 125 Stat. 36, provided that: “The amendment made by this section [amending this section] shall apply to payments made after December 31, 2010.”

EFFECTIVE DATE OF 2010 AMENDMENT

Pub. L. 111-240, title II, §2101(b), Sept. 27, 2010, 124 Stat. 2561, provided that: “The amendments made by

subsection (a) [amending this section] shall apply to payments made after December 31, 2010.”

Pub. L. 111-148, title IX, §9006(c), Mar. 23, 2010, 124 Stat. 855, provided that: “The amendments made by this section [amending this section] shall apply to payments made after December 31, 2011.”

EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108-357 applicable to amounts deferred after Dec. 31, 2004, with special rules relating to earnings and material modifications and exception for nonelective deferred compensation, see section 885(d) of Pub. L. 108-357, set out as an Effective Date note under section 409A of this title.

EFFECTIVE DATE OF 2003 AMENDMENT

Pub. L. 108-173, title XII, §1203(b), Dec. 8, 2003, 117 Stat. 2480, provided that: “The amendment made by this section [amending this section] shall apply to payments made after December 31, 2002.”

EFFECTIVE DATE OF 1996 AMENDMENT

Pub. L. 104-168, title XII, §1201(b), July 30, 1996, 110 Stat. 1470, provided that: “The amendments made by subsection (a) [amending this section and sections 6041A, 6042, 6044, 6045, 6049, 6050B, 6050H to 6050K, and 6050N of this title] shall apply to statements required to be furnished after December 31, 1996 (determined without regard to any extension).”

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by section 1501(c)(1) of Pub. L. 99-514 applicable to returns the due date for which (determined without regard to extensions) is after Dec. 31, 1986, see section 1501(e) of Pub. L. 99-514, set out as an Effective Date note under section 6721 of this title.

Amendment by section 1523(b)(2) of Pub. L. 99-514 applicable to payments made after Dec. 31, 1986, see section 1523(d) of Pub. L. 99-514, set out as an Effective Date note under section 6050N of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-369 applicable to payments or distributions after Dec. 31, 1984, unless the payor elects to have such amendment apply to payments or distributions before Jan. 1, 1985, see section 722(h)(5)(B) of Pub. L. 98-369, set out as a note under section 643 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-248 applicable to amounts paid (or treated as paid) after Dec. 31, 1982, see section 309(c) of Pub. L. 97-248, set out as a note under section 6049 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-34 applicable to returns and statements required to be furnished after Dec. 31, 1981, see section 723(c) of Pub. L. 97-34, set out as a note under section 6652 of this title.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95-600 applicable to payments made after Dec. 31, 1978, see section 501(c) of Pub. L. 95-600, set out as a note under section 6001 of this title.

EFFECTIVE DATE OF 1962 AMENDMENT

Amendment by Pub. L. 87-834 applicable to payments of dividends and interest made on or after Jan. 1, 1963, and to payments of amounts described in section 6044(b) of this title made on or after Jan. 1, 1963, with respect to patronage occurring on or after the first day of the first taxable year of the cooperative beginning on or after Jan. 1, 1963, see section 19(h) of Pub. L. 87-834, set out as a note under section 6042 of this title.

ALLOWANCE OF ELECTRONIC 1099'S

Pub. L. 107-147, title IV, §401, Mar. 9, 2002, 116 Stat. 40, provided that: “Any person required to furnish a state-

ment under any section of subpart B of part III of subchapter A of chapter 61 of the Internal Revenue Code of 1986 for any taxable year ending after the date of the enactment of this Act [Mar. 9, 2002], may electronically furnish such statement (without regard to any first class mailing requirement) to any recipient who has consented to the electronic provision of the statement in a manner similar to the one permitted under regulations issued under section 6051 of such Code or in such other manner as provided by the Secretary.”

EMPLOYER'S DUTIES IN CONNECTION WITH RECORDING AND REPORTING OF TIPS

Pub. L. 94-455, title XXI, §2211, Oct. 4, 1976, 90 Stat. 1905, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that:

“(a) SUSPENSION OF RULINGS.—Until January 1, 1979, the law with respect to the duty of an employer under section 6041(a) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] to report charge account tips of employees to the Internal Revenue Service (other than charge account tips included in statements furnished to the employer under section 6053(a) of such Code) shall be administered—

“(1) without regard to Revenue Rulings 75-400 and 76-231, and

“(2) in accordance with the manner in which such law was administered before the issuance of such rulings.

“(b) EFFECTIVE DATE.—This section shall take effect on January 1, 1976.”

§ 6041A. Returns regarding payments of remuneration for services and direct sales

(a) Returns regarding remuneration for services

If—

(1) any service-recipient engaged in a trade or business pays in the course of such trade or business during any calendar year remuneration to any person for services performed by such person, and

(2) the aggregate of such remuneration paid to such person during such calendar year is \$600 or more,

then the service-recipient shall make a return, according to the forms or regulations prescribed by the Secretary, setting forth the aggregate amount of such payments and the name and address of the recipient of such payments. For purposes of the preceding sentence, the term “service-recipient” means the person for whom the service is performed.

(b) Direct sales of \$5,000 or more

(1) In general

If—

(A) any person engaged in a trade or business in the course of such trade or business during any calendar year sells consumer products to any buyer on a buy-sell basis, a deposit-commission basis, or any similar basis which the Secretary prescribes by regulations, for resale (by the buyer or any other person) in the home or otherwise than in a permanent retail establishment, and

(B) the aggregate amount of the sales to such buyer during such calendar year is \$5,000 or more,

then such person shall make a return, according to the forms or regulations prescribed by the Secretary, setting forth the name and address of the buyer to whom such sales are made.

(2) Definitions

For purposes of paragraph (1)—

(A) Buy-sell basis

A transaction is on a buy-sell basis if the buyer performing the services is entitled to retain part or all of the difference between the price at which the buyer purchases the product and the price at which the buyer sells the product as part or all of the buyer's remuneration for the services, and

(B) Deposit-commission basis

A transaction is on a deposit-commission basis if the buyer performing the services is entitled to retain part or all of a purchase deposit paid by the consumer in connection with the transaction as part or all of the buyer's remuneration for the services.

(c) Certain services not included

No return shall be required under subsection (a) or (b) if a statement with respect to the services is required to be furnished under section 6051, 6052, or 6053.

(d) Applications to governmental units

(1) Treated as persons

The term “person” includes any governmental unit (and any agency or instrumentality thereof).

(2) Special rules

In the case of any payment by a governmental entity or any agency or instrumentality thereof—

(A) subsection (a) shall be applied without regard to the trade or business requirement contained therein, and

(B) any return under this section shall be made by the officer or employee having control of the payment or appropriately designated for the purpose of making such return.

(3) Payments to corporations by Federal executive agencies

(A) In general

Notwithstanding any regulation prescribed by the Secretary before the date of the enactment of this paragraph, subsection (a) shall apply to remuneration paid to a corporation by any Federal executive agency (as defined in section 6050M(b)).

(B) Exception

Subparagraph (A) shall not apply to—

(i) services under contracts described in section 6050M(e)(3) with respect to which the requirements of section 6050M(e)(2) are met, and

(ii) such other services as the Secretary may specify in regulations prescribed after the date of the enactment of this paragraph.

(e) Statements to be furnished to persons with respect to whom information is required to be furnished

Every person required to make a return under subsection (a) or (b) shall furnish to each person whose name is required to be set forth in such return a written statement showing—