

section and sections 303, 2011, 2204, 2621, 6161, 6324A, 6503, and 7403 of this title and repealing section 6166A of this title] shall apply to the estates of decedents dying after December 31, 1981.

“(2) ACCELERATION BY REASON OF SUBSEQUENT DEATH.—The amendment made by subsection (c)(3) [amending this section] shall apply to transfers after December 31, 1981.”

EFFECTIVE DATE OF 1978 AMENDMENT

Pub. L. 95-600, title V, §512(c), Nov. 6, 1978, 92 Stat. 2883, provided that: “The amendments made by this section [amending this section] shall apply with respect to the estates of decedents dying after the date of the enactment of this Act [Nov. 6, 1978].”

EFFECTIVE DATE

Pub. L. 94-455, title XX, §2004(g), Oct. 4, 1976, 90 Stat. 1872, provided that: “The amendments made by this section [enacting this section and section 6324A of this title and amending sections 303, 2011, 2204, 6136, 6161, 6503, 6601, and 7403 of this title] shall apply to the estates of decedents dying after December 31, 1976.”

LAND DIVERTED UNDER 1983 PAYMENT-IN-KIND PROGRAM

Land diverted from production of agricultural commodities under a 1983 payment-in-kind program to be treated, for purposes of this section, as used during the 1983 crop year by qualified taxpayers in the active conduct of the trade or business of farming, with qualified taxpayers who materially participate in the diversion and devotion to conservation uses under a 1983 payment-in-kind program to be treated as materially participating in the operation of such land during the 1983 crop year, see section 3 of Pub. L. 98-4, set out as a note under section 61 of this title.

[§ 6166A. Repealed. Pub. L. 97-34, title IV, § 422(d), Aug. 13, 1981, 95 Stat. 315]

Section, added Pub. L. 85-866, title II, §206(a), Sept. 2, 1958, 72 Stat. 1681, §6166; amended Pub. L. 93-625, §7(d)(2), (3), Jan. 3, 1975, 88 Stat. 2115; renumbered §6166A and amended Pub. L. 94-455, title XIX, §1906(b)(13)(A), title XX, §2004(a), Oct. 4, 1976, 90 Stat. 1834, 1862, provided for an extension of time for payment of estate tax where estate consists largely of interest in closely held business.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF REPEAL

Repeal applicable to estates of decedents dying after Dec. 31, 1981, see section 422(f)(1) of Pub. L. 97-34, set out as an Effective Date of 1981 Amendment note under section 6166 of this title.

§ 6167. Extension of time for payment of tax attributable to recovery of foreign expropriation losses

(a) Extension allowed by election

If—

(1) a corporation has a recovery of a foreign expropriation loss to which section 1351 applies, and

(2) the portion of the recovery received in money is less than 25 percent of the amount of such recovery (as defined in section 1351(c)) and is not greater than the tax attributable to such recovery,

the tax attributable to such recovery shall, at the election of the taxpayer, be payable in 10 equal installments on the 15th day of the fourth month of each of the taxable years following the

taxable year of the recovery. Such election shall be made at such time and in such manner as the Secretary may prescribe by regulations. If an election is made under this subsection, the provisions of this subtitle shall apply as though the Secretary were extending the time for payment of such tax.

(b) Extension permitted by Secretary

If a corporation has a recovery of a foreign expropriation loss to which section 1351 applies and if an election is not made under subsection (a), the Secretary may, upon finding that the payment of the tax attributable to such recovery at the time otherwise provided in this subtitle would result in undue hardship, extend the time for payment of such tax for a reasonable period or periods not in excess of 9 years from the date on which such tax is otherwise payable.

(c) Acceleration of payments

If—

(1) an election is made under subsection (a),
(2) during any taxable year before the tax attributable to such recovery is paid in full—

(A) any property (other than money) received on such recovery is sold or exchanged, or

(B) any property (other than money) received on any sale or exchange described in subparagraph (A) is sold or exchanged, and

(3) the amount of money received on such sale or exchange (reduced by the amount of the tax imposed under chapter 1 with respect to such sale or exchange), when added to the amount of money—

(A) received on such recovery, and

(B) received on previous sales or exchanges described in subparagraphs (A) and (B) of paragraph (2) (as so reduced),

exceeds the amount of money which may be received under subsection (a)(2),

an amount of the tax attributable to such recovery equal to such excess shall be payable on the 15th day of the fourth month of the taxable year following the taxable year in which such sale or exchange occurs. The amount of such tax so paid shall be treated, for purposes of this section, as a payment of the first unpaid installment or installments (or portion thereof) which become payable under subsection (a) following such taxable year.

(d) Proration of deficiency to installments

If an election is made under subsection (a), and a deficiency attributable to the recovery of a foreign expropriation loss has been assessed, the deficiency shall be prorated to such installments. The part of the deficiency so prorated to any installment the date for payment of which has not arrived shall be collected at the same time as, and as part of, such installment. The part of the deficiency so prorated to any installment the date for payment of which has arrived shall be paid upon notice and demand from the Secretary. This subsection shall not apply if the deficiency is due to negligence, to intentional disregard of rules and regulations, or to fraud with intent to evade tax.

(e) Time for payment of interest

If the time for payment for any amount of tax has been extended under this section, interest

payable under section 6601 on any unpaid portion of such amount shall be paid annually at the same time as, and as part of, each installment payment of the tax. Interest, on that part of a deficiency prorated under this section to any installment the date for payment of which has not arrived, for the period before the date fixed for the last installment preceding the assessment of the deficiency, shall be paid upon notice and demand from the Secretary.

(f) Tax attributable to recovery of foreign expropriation loss

For purposes of this section, the tax attributable to a recovery of a foreign expropriation loss is the sum of—

- (1) the additional tax imposed by section 1351(d)(1) on such recovery, and
- (2) the amount by which the tax imposed under subtitle A is increased by reason of the gain on such recovery which under section 1351(e) is considered as gain on the involuntary conversion of property.

(g) Failure to pay installment

If any installment under this section is not paid on or before the date fixed for its payment by this section (including any extension of time for the payment of such installment), the unpaid portion of the tax payable in installments shall be paid upon notice and demand from the Secretary.

(h) Cross-references

(1) Security.—For authority of the Secretary to require security in the case of an extension under this section, see section 6165.

(2) Period of limitation.—For extension of the period of limitation in the case of an extension under this section, see section 6503(e).

(Added Pub. L. 89-384, §1(d), Apr. 8, 1966, 80 Stat. 102; amended Pub. L. 93-625, §7(d)(2), (3), Jan. 3, 1975, 88 Stat. 2115; Pub. L. 94-455, title XIX, §§1902(b)(2)(B), 1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1806, 1834; Pub. L. 114-41, title II, §2006(a)(2)(D), July 31, 2015, 129 Stat. 457.)

Editorial Notes

AMENDMENTS

2015—Subsecs. (a), (c). Pub. L. 114-41 substituted “fourth month” for “third month” in concluding provisions.

1976—Subsecs. (a), (b), (d), (e), (g). Pub. L. 94-455, §1906(b)(13)(A), struck out “or his delegate” after “Secretary”.

Subsec. (h). Pub. L. 94-455, §§1902(b)(2)(B), 1906(b)(13)(A), substituted “section 6503(e)” for “section 6503(f)”, and struck out “or his delegate” after “Secretary”.

1975—Subsec. (e). Pub. L. 93-625, §7(d)(2), struck out provision that in applying section 6601(j) (relating to the application of the 4-percent interest rate in the case of recoveries of foreign expropriation losses to which this section applies) in the case of a deficiency, the entire amount which was prorated to installments under this section shall be treated as an amount of tax the payment of which was extended under this section.

Subsec. (h). Pub. L. 93-625, §7(d)(3), struck out par. (1) providing a cross reference for payment of interest at 4 percent per annum for period of an extension under section 6601(j) of this title, and redesignated pars. (2) and (3) as (1) and (2), respectively.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2015 AMENDMENT

Amendment by Pub. L. 114-41 applicable to returns for taxable years beginning after Dec. 31, 2015, with special rule for certain C corporations, see section 2006(a)(3) of Pub. L. 114-41, set out as a note under section 170 of this title.

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by section 1902(b)(2)(B) of Pub. L. 94-455 applicable to estates of decedents dying after Oct. 4, 1976, see section 1902(c)(1) of Pub. L. 94-455, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1975 AMENDMENT

Amendment by Pub. L. 93-625 effective July 1, 1975, and applicable to amounts outstanding on such date or arising thereafter, see section 7(e) of Pub. L. 93-625, set out as an Effective Date note under section 6621 of this title.

EFFECTIVE DATE

Section applicable with respect to amounts received after Dec. 31, 1964, in respect of foreign expropriation losses (as defined in section 1351(b) of this title) sustained after Dec. 31, 1958, see section 2 of Pub. L. 89-384, set out as a note under section 1351 of this title.

CHAPTER 63—ASSESSMENT

Subchapter		Sec. ¹
A.	In general	6201
B.	Deficiency procedures in the case of income, estate, gift, and certain excise taxes	6211
C.	Treatment of partnerships	6221
[D.	Repealed]	

Editorial Notes

AMENDMENTS

2015—Pub. L. 114-74, title XI, §1101(a), (b)(2), (c)(2), Nov. 2, 2015, 129 Stat. 625, 637, added item for subchapter C and struck out former items for subchapter C “Tax treatment of partnership items” and subchapter D “Treatment of electing large partnerships”.

1997—Pub. L. 105-34, title XII, §1222(c), Aug. 5, 1997, 111 Stat. 1019, added item for subchapter D.

1996—Pub. L. 104-188, title I, §1307(c)(3)(C), Aug. 20, 1996, 110 Stat. 1782, struck out item for subchapter D “Tax treatment of subchapter S items”.

1982—Pub. L. 97-354, §4(b), Oct. 19, 1982, 96 Stat. 1692, added item for subchapter D.

Pub. L. 97-248, title IV, §402(b), Sept. 3, 1982, 96 Stat. 667, added item for subchapter C.

1969—Pub. L. 91-172, title I, §101(j)(63), Dec. 30, 1969, 83 Stat. 532, inserted reference to certain excise taxes in item for subchapter B.

Subchapter A—In General

Sec.	
6201.	Assessment authority.
6202.	Establishment by regulations of mode or time of assessment.
6203.	Method of assessment.
6204.	Supplemental assessments.
6205.	Special rules applicable to certain employment taxes.
6206.	Special rules applicable to excessive claims under certain sections.
6207.	Cross references.

Editorial Notes

AMENDMENTS

2005—Pub. L. 109-59, title XI, §11163(d)(4), Aug. 10, 2005, 119 Stat. 1975, substituted “certain sections” for “sections 6420, 6421, and 6427” in item 6206.

¹ Section numbers editorially supplied.