

(C) Review by Tax Court

If, but for the application of subparagraph (B), a sale would be prohibited by subparagraph (A)(iii), then the Tax Court shall have jurisdiction to review the Secretary's determination under subparagraph (B) that the property may be sold. Such review may be commenced upon motion by either the Secretary or the taxpayer. An order of the Tax Court disposing of a motion under this paragraph shall be reviewable in the same manner as a decision of the Tax Court.

(c) Stay of sale of seized property pending district court determination under section 7429**(1) General rule**

Where a jeopardy assessment has been made under section 6862(a), the property seized for the collection of the tax shall not be sold—

(A) if a civil action is commenced in accordance with section 7429(b), on or before the day on which the district court judgment in such action becomes final, or

(B) if subparagraph (A) does not apply, before the day after the expiration of the period provided in section 7429(a) for requesting an administrative review, and if such review is requested, before the day after the expiration of the period provided in section 7429(b), for commencing an action in the district court.

(2) Exceptions

With respect to any property described in paragraph (1), the exceptions provided by subsection (b)(3)(B) shall apply.

(Aug. 16, 1954, ch. 736, 68A Stat. 836; Pub. L. 94-455, title XII, §1204(c)(7)–(9), title XIX, §1906(a)(38), (b)(13)(A), Oct. 4, 1976, 90 Stat. 1698, 1830, 1834; Pub. L. 100-203, title X, §10713(b)(2)(E), Dec. 22, 1987, 101 Stat. 1330-470; Pub. L. 100-647, title VI, §6245(a), Nov. 10, 1988, 102 Stat. 3750; Pub. L. 101-239, title VII, §7822(d)(2), Dec. 19, 1989, 103 Stat. 2425; Pub. L. 115-141, div. U, title IV, §401(a)(321), Mar. 23, 2018, 132 Stat. 1199.)

Editorial Notes**AMENDMENTS**

2018—Subsec. (a). Pub. L. 115-141 substituted “6852,” for “6852.,”.

1989—Subsec. (b)(3)(A)(iii). Pub. L. 101-239 made technical correction to Pub. L. 100-203, §10713(b)(2)(E)(iii), see 1987 Amendment note below.

1988—Subsec. (b)(3)(C). Pub. L. 100-647 added subpar. (C).

1987—Subsec. (a). Pub. L. 100-203, §10713(b)(2)(E)(i), substituted “6851, 6852,” for “6851”.

Subsec. (b)(3)(A). Pub. L. 100-203, §10713(b)(2)(E)(ii), substituted “6851, 6852, or 6861” for “6851 or 6861”.

Subsec. (b)(3)(A)(iii). Pub. L. 100-203, §10713(b)(2)(E)(iii), as amended by Pub. L. 101-239, substituted “6851(a), 6852(a), nor 6861(a)” for “6851(a) nor 6861(a)”.

1976—Subsec. (a). Pub. L. 94-455, §§1204(c)(7), 1906(b)(13)(A), inserted reference to section 6851, substituted “an assessment” for “a jeopardy assessment”, struck out “or his delegate” after “Secretary”, and substituted “such assessment” for “the jeopardy assessment”.

Subsec. (b)(3)(A). Pub. L. 94-455, §1204(c)(8), substituted “an assessment has been made under section 6851 or 6861,” for “a jeopardy assessment has been made

under section 6861” in provisions preceding cl. (i), added cl. (i), redesignated former cl. (i) as (ii) and substituted “before the issuance of the notice of deficiency described in section 6851(b) or 6861(b), and the expiration of the period” for “if section 6861(b) is applicable, prior to the issuance of the notice of deficiency and the expiration of the time”, redesignated former cl. (ii) as (iii) and substituted “assessment), before the expiration” for “jeopardy assessment under section 6861), prior to the expiration” and “if neither sections 6851(a) nor 6861(a) were applicable” for “if section 6861(a) were not applicable”, and inserted provisions following cl. (iii).

Subsec. (b)(3)(B)(i). Pub. L. 94-455, §1906(b)(13)(A), struck out “or his delegate” after “Secretary”.

Subsec. (b)(3)(C). Pub. L. 94-455, §1906(a)(38), struck out subpar. (C) which had limited the applicability of subpars. (A) and (B) to jeopardy assessments made on or after Jan. 1, 1955, with respect to taxes imposed by this title, and with respect to taxes imposed by the Internal Revenue Code of 1939.

Subsec. (c). Pub. L. 94-455, §1204(c)(9), added subsec. (c).

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 1989 AMENDMENT**

Amendment by Pub. L. 101-239 effective as if included in the provision of the Revenue Act of 1987, Pub. L. 100-203, title X, to which such amendment relates, see section 7823 of Pub. L. 101-239, set out as a note under section 26 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Pub. L. 100-647, title VI, §6245(b), Nov. 10, 1988, 102 Stat. 3751, provided that: “The amendments made by this section [amending this section] shall take effect on the 90th day after the date of the enactment of this Act [Nov. 10, 1988].”

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by section 1204(c)(7)–(9) of Pub. L. 94-455 applicable with respect to action taken under section 6851, 6861, or 6862 of this title where notice and demand takes place after Feb. 28, 1977, see section 1204(d) of Pub. L. 94-455, as amended, set out as a note under section 6851 of this title.

Amendment by section 1906(a)(38), (b)(13)(A) of Pub. L. 94-455 effective on first day of first month which begins more than ninety 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.

§ 6864. Termination of extended period for payment in case of carryback

For termination of extensions of time for payment of income tax granted to corporations expecting carrybacks in case of jeopardy, see section 6164(h).

(Aug. 16, 1954, ch. 736, 68A Stat. 837.)

PART III—SPECIAL RULES WITH RESPECT TO CERTAIN CASH

Sec.

6867. Presumptions where owner of large amount of cash is not identified.

§ 6867. Presumptions where owner of large amount of cash is not identified**(a) General rule**

If the individual who is in physical possession of cash in excess of \$10,000 does not claim such cash—

(1) as his, or

(2) as belonging to another person whose identity the Secretary can readily ascertain and who acknowledges ownership of such cash,

then, for purposes of sections 6851 and 6861, it shall be presumed that such cash represents gross income of a single individual for the taxable year in which the possession occurs, and that the collection of tax will be jeopardized by delay.

(b) Rules for assessing

In the case of any assessment resulting from the application of subsection (a)—

(1) the entire amount of the cash shall be treated as taxable income for the taxable year in which the possession occurs,

(2) such income shall be treated as taxable at the highest rate of tax specified in section 1, and

(3) except as provided in subsection (c), the possessor of the cash shall be treated (solely with respect to such cash) as the taxpayer for purposes of chapters 63 and 64 and section 7429(a)(1).

(c) Effect of later substitution of true owner

If, after an assessment resulting from the application of subsection (a), such assessment is abated and replaced by an assessment against the owner of the cash, such later assessment shall be treated for purposes of all laws relating to lien, levy and collection as relating back to the date of the original assessment.

(d) Definitions

For purposes of this section—

(1) Cash

The term “cash” includes any cash equivalent.

(2) Cash equivalent

The term “cash equivalent” means—

- (A) foreign currency,
- (B) any bearer obligation, and
- (C) any medium of exchange which—

(i) is of a type which has been frequently used in illegal activities, and

(ii) is specified as a cash equivalent for purposes of this part in regulations prescribed by the Secretary.

(3) Value of cash equivalent

Any cash equivalent shall be taken into account—

(A) in the case of a bearer obligation, at its face amount, and

(B) in the case of any other cash equivalent, at its fair market value.

(Added Pub. L. 97-248, title III, § 330(a), Sept. 3, 1982, 96 Stat. 619; amended Pub. L. 100-647, title I, § 1001(a)(1), Nov. 10, 1988, 102 Stat. 3349.)

Editorial Notes

AMENDMENTS

1988—Subsec. (b)(2). Pub. L. 100-647 substituted “the highest rate of tax specified in section 1” for “a 50-percent rate”.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-647 effective, except as otherwise provided, as if included in the provision of the Tax Reform Act of 1986, Pub. L. 99-514, to which

such amendment relates, see section 1019(a) of Pub. L. 100-647, set out as a note under section 1 of this title.

EFFECTIVE DATE

Pub. L. 97-248, title III, § 330(c), Sept. 3, 1982, 96 Stat. 620, provided that: “The amendments made by subsections (a) and (b) [enacting this section] shall take effect on the day after the date of the enactment of this Act [Sept. 3, 1982].”

Subchapter B—Receiverships, Etc.

Sec. 6871.	Claims for income, estate, gift, and certain excise taxes in receivership proceedings, etc.
6872.	Suspension of period on assessment.
6873.	Unpaid claims.

Editorial Notes

AMENDMENTS

1980—Pub. L. 96-589, § 6(g)(3)(A), (B), Dec. 24, 1980, 94 Stat. 3410, substituted “Receiverships, Etc.” for “Bankruptcy and Receiverships” in subchapter heading, and “gift, and certain excise taxes in receivership proceedings, etc.” for “and gift taxes in bankruptcy and receivership proceedings” in item 6871.

§ 6871. Claims for income, estate, gift, and certain excise taxes in receivership proceedings, etc.

(a) Immediate assessment in receivership proceedings

On the appointment of a receiver for the taxpayer in any receivership proceeding before any court of the United States or of any State or of the District of Columbia, any deficiency (together with all interest, additional amounts, and additions to the tax provided by law) determined by the Secretary in respect of a tax imposed by subtitle A or B or by chapter 41, 42, 43, or 44 on such taxpayer may, despite the restrictions imposed by section 6213(a) on assessments, be immediately assessed if such deficiency has not theretofore been assessed in accordance with law.

(b) Immediate assessment with respect to certain title 11 cases

Any deficiency (together with all interest, additional amounts, and additions to the tax provided by law) determined by the Secretary in respect of a tax imposed by subtitle A or B or by chapter 41, 42, 43, or 44 on—

(1) the debtor’s estate in a case under title 11 of the United States Code, or

(2) the debtor, but only if liability for such tax has become res judicata pursuant to a determination in a case under title 11 of the United States Code,

may, despite the restrictions imposed by section 6213(a) on assessments, be immediately assessed if such deficiency has not theretofore been assessed in accordance with law.

(c) Claim filed despite pendency of tax court proceedings

In the case of a tax imposed by subtitle A or B or by chapter 41, 42, 43, or 44—

(1) claims for the deficiency and for interest, additional amounts, and additions to the tax may be presented, for adjudication in accordance with law, to the court before which the