

(a) [enacting this section] shall apply to tax liability incurred with respect to taxable years beginning on or after January 1, 1960.”

PLAN AMENDMENTS NOT REQUIRED UNTIL  
JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§1101–1147 and 1171–1177] or title XVIII [§§1800–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of this title.

**[§ 934A. Repealed. Pub. L. 99–514, title XII, § 1275(c)(3), Oct. 22, 1986, 100 Stat. 2599]**

Section, added Pub. L. 97–455, §1(a), Jan. 12, 1983, 96 Stat. 2497, related to income tax rate on Virgin Islands source income.

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE OF REPEAL

Repeal applicable to taxable years beginning after Dec. 31, 1986, with certain exceptions and qualifications, see section 1277 of Pub. L. 99–514, set out as an Effective Date of 1986 Amendment note under section 931 of this title.

**[§ 935. Repealed. Pub. L. 99–514, title XII, § 1272(d)(2), Oct. 22, 1986, 100 Stat. 2594]**

Section, added Pub. L. 92–606, §1(a), Oct. 31, 1972, 86 Stat. 1494; amended Pub. L. 108–357, title VIII, §908(c)(4), Oct. 22, 2004, 118 Stat. 1656, related to coordination of United States and Guam individual income taxes.

**Statutory Notes and Related Subsidiaries**

AMENDMENT SUBSEQUENT TO REPEAL

Pub. L. 108–357, title IX, §908(c)(4), (d), Oct. 22, 2004, 118 Stat. 1656, 1657, applicable to taxable years ending after Oct. 22, 2004, amended section, as in effect before the effective date of its repeal, in introductory provisions of subsec. (a), by substituting “who, during the entire taxable year” for “for the taxable year who”, in subsecs. (a)(1) and (b)(1)(B), by inserting “bona fide” before “resident”, in subsec. (b)(1)(A), by inserting “(other a bona fide resident of Guam during the entire taxable year)” after “United States”, and, in subsection (b)(2), by striking out “residence and” before “citizenship”.

EFFECTIVE DATE OF REPEAL

Repeal applicable to taxable years beginning after Dec. 31, 1986, with certain exceptions and qualifications, see section 1277 of Pub. L. 99–514, set out as an Effective Date of 1986 Amendment note under section 931 of this title.

**[§ 936. Repealed. Pub. L. 115–141, div. U, title IV, § 401(d)(1)(C), Mar. 23, 2018, 132 Stat. 1206]**

Section, added Pub. L. 94–455, title X, §1051(b), Oct. 4, 1976, 90 Stat. 1643; amended Pub. L. 94–455, title XIX, §1901(b)(37)(B), Oct. 4, 1976, 90 Stat. 1803; Pub. L. 95–600, title VII, §701(u)(11)(A), (B), Nov. 6, 1978, 92 Stat. 2917; Pub. L. 97–248, title II, §201(d)(8)(B), formerly §201(c)(8)(B), §213(a), Sept. 3, 1982, 96 Stat. 420, 452, renumbered §201(d)(8)(B), Pub. L. 97–448, title III, §306(a)(1)(A)(i), Jan. 12, 1983, 96 Stat. 2400; Pub. L. 98–369, div. A, title IV, §474(r)(22), title VII, §712(g), title VIII, §801(d)(11), July 18, 1984, 98 Stat. 843, 947, 997; Pub. L. 99–499, title V, §516(b)(1)(B), Oct. 17, 1986, 100 Stat. 1770; Pub. L. 99–514, title II, §231(d)(3)(G), title VII, §701(e)(4)(I), title XII, §§1231(a)–(d), (f), 1275(a)(1), title

XVIII, §1812(c)(4)(C), Oct. 22, 1986, 100 Stat. 2179, 2343, 2561–2563, 2598, 2835; Pub. L. 100–647, title I, §§1002(h)(3), 1012(h)(2)(B), (j), (n)(4), (5), title VI, §6132(a), Nov. 10, 1988, 102 Stat. 3370, 3502, 3512, 3515, 3721; Pub. L. 101–382, title II, §227(a), Aug. 20, 1990, 104 Stat. 661; Pub. L. 101–508, title XI, §11704(a)(11), Nov. 5, 1990, 104 Stat. 1388–518; Pub. L. 103–66, title XIII, §13227(a), (b), Aug. 10, 1993, 107 Stat. 489, 490; Pub. L. 104–188, title I, §§1601(a), 1704(t)(37), (80), Aug. 20, 1996, 110 Stat. 1827, 1889, 1891; Pub. L. 108–357, title IV, §402(b)(2), Oct. 22, 2004, 118 Stat. 1492; Pub. L. 110–172, §11(g)(12), Dec. 29, 2007, 121 Stat. 2490; Pub. L. 113–295, div. A, title II, §221(a)(12)(G), Dec. 19, 2014, 128 Stat. 4038; Pub. L. 115–97, title I, §14221(a), Dec. 22, 2017, 131 Stat. 2218, related to Puerto Rico and possession tax credit.

**Statutory Notes and Related Subsidiaries**

SAVINGS PROVISION

For provisions that nothing in repeal by Pub. L. 115–141 be construed to affect treatment of certain transactions occurring, property acquired, or items of income, loss, deduction, or credit taken into account prior to Mar. 23, 2018, for purposes of determining liability for tax for periods ending after Mar. 23, 2018, see section 401(e) of Pub. L. 115–141, set out as a note under section 23 of this title.

**§ 937. Residence and source rules involving possessions**

**(a) Bona fide resident**

For purposes of this subpart, section 865(g)(3), section 876, section 881(b), paragraphs (2) and (3) of section 901(b), section 957(c), section 3401(a)(8)(C), and section 7654(a), except as provided in regulations, the term “bona fide resident” means a person—

(1) who is present for at least 183 days during the taxable year in Guam, American Samoa, the Northern Mariana Islands, Puerto Rico, or the Virgin Islands, as the case may be, and

(2) who does not have a tax home (determined under the principles of section 911(d)(3) without regard to the second sentence thereof) outside such specified possession during the taxable year and does not have a closer connection (determined under the principles of section 7701(b)(3)(B)(ii)) to the United States or a foreign country than to such specified possession.

For purposes of paragraph (1), the determination as to whether a person is present for any day shall be made under the principles of section 7701(b).

**(b) Source rules**

Except as provided in regulations, for purposes of this title—

(1) except as provided in paragraph (2), rules similar to the rules for determining whether income is income from sources within the United States or is effectively connected with the conduct of a trade or business within the United States shall apply for purposes of determining whether income is from sources within a possession specified in subsection (a)(1) or effectively connected with the conduct of a trade or business within any such possession, and

(2) any income treated as income from sources within the United States or as effectively connected with the conduct of a trade or business within the United States shall not

be treated as income from sources within any such possession or as effectively connected with the conduct of a trade or business within any such possession.

**(c) Reporting requirement**

**(1) In general**

If, for any taxable year, an individual takes the position for United States income tax reporting purposes that the individual became, or ceases to be, a bona fide resident of a possession specified in subsection (a)(1), such individual shall file with the Secretary, at such time and in such manner as the Secretary may prescribe, notice of such position.

**(2) Transition rule**

If, for any of an individual's 3 taxable years ending before the individual's first taxable year ending after the date of the enactment of this subsection, the individual took a position described in paragraph (1), the individual shall file with the Secretary, at such time and in such manner as the Secretary may prescribe, notice of such position.

(Added Pub. L. 108-357, title VIII, § 908(a), Oct. 22, 2004, 118 Stat. 1655.)

**Editorial Notes**

**REFERENCES IN TEXT**

The date of the enactment of this subsection, referred to in subsec. (c)(2), is the date of enactment of Pub. L. 108-357, which was approved Oct. 22, 2004.

**Statutory Notes and Related Subsidiaries**

**EFFECTIVE DATE**

Pub. L. 108-357, title VIII, § 908(d), Oct. 22, 2004, 118 Stat. 1657, provided that:

“(1) **IN GENERAL.**—Except as otherwise provided in this subsection, the amendments made by this section [enacting this section and amending sections 931, 932, 934, 935, 957, and 6688 of this title] shall apply to taxable years ending after the date of the enactment of this Act [Oct. 22, 2004].

“(2) **183-DAY RULE.**—Section 937(a)(1) of the Internal Revenue Code of 1986 (as added by this section) shall apply to taxable years beginning after the date of the enactment of this Act.

“(3) **SOURCING.**—Section 937(b)(2) of such Code (as so added) shall apply to income earned after the date of the enactment of this Act.”

**[SUBPART E—REPEALED]**

**[§§ 941 to 943. Repealed. Pub. L. 108-357, title I, § 101(b)(1), Oct. 22, 2004, 118 Stat. 1423]**

Section 941, added Pub. L. 106-519, § 3(b), Nov. 15, 2000, 114 Stat. 2424, related to qualifying foreign trade income.

A prior section 941, acts Aug. 16, 1954, ch. 736, 68A Stat. 293; Oct. 4, 1976, Pub. L. 94-455, title X, § 1053(a), title XIX, § 1906(b)(1)(A), 90 Stat. 1648, 1834, set forth provisions authorizing special deduction for China Trade Act corporations, prior to repeal by Pub. L. 94-455, title X, § 1053(c), (e), Oct. 4, 1976, 90 Stat. 1649, effective with respect to taxable years beginning after Dec. 31, 1977.

Section 942, added Pub. L. 106-519, § 3(b), Nov. 15, 2000, 114 Stat. 2426, defined “foreign trading gross receipts” and set forth economic process requirements.

A prior section 942, act Aug. 16, 1954, ch. 736, 68A Stat. 294, disallowed foreign tax credit authorized by section

901 to any corporation organized under the China Trade Act, prior to repeal by Pub. L. 94-455, title X, § 1053(c), (e), Oct. 4, 1976, 90 Stat. 1649, effective with respect to taxable years beginning after Dec. 31, 1977.

Section 943, added Pub. L. 106-519, § 3(b), Nov. 15, 2000, 114 Stat. 2428; amended Pub. L. 107-147, title IV, § 417(14), Mar. 9, 2002, 116 Stat. 56, set forth other definitions and special rules for purposes of this subpart.

A prior section 943, acts Aug. 16, 1954, ch. 736, 68A Stat. 294; Oct. 4, 1976, Pub. L. 94-455, title X, § 1053(b), 90 Stat. 1648, set forth provisions relating to exclusion from gross income of residents of Formosa or Hong Kong of amounts distributed as dividends by China Trade Act corporations, prior to repeal by Pub. L. 94-455, title X, § 1053(c), (e), Oct. 4, 1976, 90 Stat. 1649, effective with respect to taxable years beginning after Dec. 31, 1977.

**Statutory Notes and Related Subsidiaries**

**EFFECTIVE DATE OF REPEAL**

Repeal applicable to transactions after Dec. 31, 2004, see section 101(c) of Pub. L. 108-357, set out as an Effective Date of 2004 Amendments note under section 56 of this title.

**SUBPART F—CONTROLLED FOREIGN CORPORATIONS**

Sec.	
951.	Amounts included in gross income of United States shareholders.
951A.	Global intangible low-taxed income included in gross income of United States shareholders.
952.	Subpart F income defined.
953.	Insurance income.
954.	Foreign base company income.
[955.]	Repealed.]
956.	Investment of earnings in United States property.
[956A.]	Repealed.]
957.	Controlled foreign corporations; United States persons.
958.	Rules for determining stock ownership.
959.	Exclusion from gross income of previously taxed earnings and profits.
960.	Deemed paid credit for subpart F inclusions.
961.	Adjustments to basis of stock in controlled foreign corporations and of other property.
962.	Election by individuals to be subject to tax at corporate rates.
[963.]	Repealed.]
964.	Miscellaneous provisions.
965.	Treatment of deferred foreign income upon transition to participation exemption system of taxation.

**Editorial Notes**

**AMENDMENTS**

2017—Pub. L. 115-97, title I, §§ 14103(b), 14201(c), 14212(b)(6), 14301(c)(39), Dec. 22, 2017, 131 Stat. 2208, 2213, 2217, 2225, added item 951A, substituted “Deemed paid credit for subpart F inclusions” for “Special rules for foreign tax credit” in item 960 and “Treatment of deferred foreign income upon transition to participation exemption system of taxation” for “Temporary dividends received deduction” in item 965, and struck out item 955 “Withdrawal of previously excluded subpart F income from qualified investment”.

2004—Pub. L. 108-357, title IV, § 422(c), Oct. 22, 2004, 118 Stat. 1519, added item 965.

1996—Pub. L. 104-188, title I, § 1501(c), Aug. 20, 1996, 110 Stat. 1826, which directed that the analysis for subpart F be amended by striking item 956A, could not be executed, because item 956A “Earnings invested in excess passive assets” had been editorially supplied.

1986—Pub. L. 99-514, title XII, § 1221(b)(3)(E), Oct. 22, 1986, 100 Stat. 2553, substituted “Insurance income” for