

**(b) Reports by the Congressional Budget Office**

Within 45 days of receipt by the Congress of each report from the Office of Management and Budget under subsection (a), the Congressional Budget Office shall report to the Congress the Congressional Budget Office's assessment of the report submitted by the Office of Management and Budget, including—

- (1) the cost of the troubled assets and guarantees of the troubled assets,
- (2) the information and valuation methods used to calculate such cost, and
- (3) the impact on the deficit and the debt.

**(c) Financial expertise**

In carrying out the duties in this subsection<sup>1</sup> or performing analyses of activities under this chapter, the Director of the Congressional Budget Office may employ personnel and procure the services of experts and consultants.

**(d) Authorization of appropriations**

There are authorized to be appropriated such sums as may be necessary to produce reports required by this section.

**(e) Sunset**

Notwithstanding the previous provisions of this section, the reporting and comment requirements under this section shall terminate with the annual period on the last day of which all troubled assets acquired by the Secretary under section 5211 of this title have been sold or transferred out of the ownership or control of the Federal Government.

(Pub. L. 110-343, div. A, title II, §202, Oct. 3, 2008, 122 Stat. 3800; Pub. L. 112-204, §1(b)(1), Dec. 4, 2012, 126 Stat. 1485.)

## REFERENCES IN TEXT

This chapter, referred to in subsec. (c), was in the original “this Act” and was translated as reading “this division”, meaning div. A of Pub. L. 110-343, Oct. 3, 2008, 122 Stat. 3765, known as the Emergency Economic Stabilization Act of 2008, to reflect the probable intent of Congress. For complete classification of division A to the Code, see Short Title note set out under section 5201 of this title and Tables.

## AMENDMENTS

2012—Subsec. (a). Pub. L. 112-204, §1(b)(1)(A), substituted “annually” for “semiannually”.

Subsec. (e). Pub. L. 112-204, §1(b)(1)(B), added subsec. (e).

## EFFECTIVE DATE OF 2012 AMENDMENT

Pub. L. 112-204, §1(b)(2), Dec. 4, 2012, 126 Stat. 1486, provided that: “The amendments made by this subsection [amending this section] shall take effect the first day after the date of enactment of this Act [Dec. 4, 2012].”

**§ 5253. Emergency treatment**

All provisions of this chapter are designated as an emergency requirement and necessary to meet emergency needs pursuant to section 204(a) of S. Con. Res.<sup>1</sup> 21 (110th Congress), the concurrent resolution on the budget for fiscal year 2008 and rescissions of any amounts provided in this

chapter shall not be counted for purposes of budget enforcement.

(Pub. L. 110-343, div. A, title II, §204, Oct. 3, 2008, 122 Stat. 3801.)

## REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act” and was translated as reading “this division”, meaning div. A of Pub. L. 110-343, Oct. 3, 2008, 122 Stat. 3765, known as the Emergency Economic Stabilization Act of 2008, to reflect the probable intent of Congress. For complete classification of division A to the Code, see Short Title note set out under section 5201 of this title and Tables.

S. Con. Res. 21 (110th Congress), referred to in text, is S. Con. Res. 21, May 17, 2007, 121 Stat. 2590, which is not classified to the Code.

## SUBCHAPTER III—TAX PROVISIONS

**§ 5261. Gain or loss from sale or exchange of certain preferred stock****(a) In general**

For purposes of title 26, gain or loss from the sale or exchange of any applicable preferred stock by any applicable financial institution shall be treated as ordinary income or loss.

**(b) Applicable preferred stock**

For purposes of this section, the term “applicable preferred stock” means any stock—

(1) which is preferred stock in—

(A) the Federal National Mortgage Association, established pursuant to the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.), or

(B) the Federal Home Loan Mortgage Corporation, established pursuant to the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.), and

(2) which—

(A) was held by the applicable financial institution on September 6, 2008, or

(B) was sold or exchanged by the applicable financial institution on or after January 1, 2008, and before September 7, 2008.

**(c) Applicable financial institution**

For purposes of this section:

**(1) In general**

Except as provided in paragraph (2), the term “applicable financial institution” means—

(A) a financial institution referred to in section 582(c)(2) of title 26, or

(B) a depository institution holding company (as defined in section 1813(w)(1) of this title).

**(2) Special rules for certain sales**

In the case of—

(A) a sale or exchange described in subsection (b)(2)(B), an entity shall be treated as an applicable financial institution only if it was an entity described in subparagraph (A) or (B) of paragraph (1) at the time of the sale or exchange, and

(B) a sale or exchange after September 6, 2008, of preferred stock described in subsection (b)(2)(A), an entity shall be treated as an applicable financial institution only if

<sup>1</sup> So in original. Probably should be “section”.

<sup>1</sup> So in original. Probably should be followed by a period.

it was an entity described in subparagraph (A) or (B) of paragraph (1) at all times during the period beginning on September 6, 2008, and ending on the date of the sale or exchange of the preferred stock.

**(d) Special rule for certain property not held on September 6, 2008**

The Secretary of the Treasury or the Secretary's delegate may extend the application of this section to all or a portion of the gain or loss from a sale or exchange in any case where—

(1) an applicable financial institution sells or exchanges applicable preferred stock after September 6, 2008, which the applicable financial institution did not hold on such date, but the basis of which in the hands of the applicable financial institution at the time of the sale or exchange is the same as the basis in the hands of the person which held such stock on such date, or

(2) the applicable financial institution is a partner in a partnership which—

(A) held such stock on September 6, 2008, and later sold or exchanged such stock, or

(B) sold or exchanged such stock during the period described in subsection (b)(2)(B).

**(e) Regulatory authority**

The Secretary of the Treasury or the Secretary's delegate may prescribe such guidance, rules, or regulations as are necessary to carry out the purposes of this section.

**(f) Effective date**

This section shall apply to sales or exchanges occurring after December 31, 2007, in taxable years ending after such date.

(Pub. L. 110-343, div. A, title III, §301, Oct. 3, 2008, 122 Stat. 3802.)

REFERENCES IN TEXT

The Federal National Mortgage Association Charter Act, referred to in subsec. (b)(1)(A), is title III of act June 27, 1934, ch. 847, 48 Stat. 1252, which is classified generally to subchapter III (§1716 et seq.) of chapter 13 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1716 of this title and Tables.

The Federal Home Loan Mortgage Corporation Act, referred to in subsec. (b)(1)(B), is title III of Pub. L. 91-351, July 24, 1970, 84 Stat. 451, which is classified generally to chapter 11A (§1451 et seq.) of this title. For complete classification of this Act to the Code, see Short Title and Statement of Purpose note set out under section 1451 of this title and Tables.

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