

dence of indebtedness at a specified call premium, but no inference shall be drawn from the fact that section 249 of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] (as added by subsection (a) of this section) does not apply to the repurchase of such convertible bond or other convertible evidence of indebtedness.”

**[§ 250. Repealed. Pub. L. 101-508, title XI, § 11801(a)(15), Nov. 5, 1990, 104 Stat. 1388-520]**

Section, added Pub. L. 91-518, title IX, § 901(a), Oct. 30, 1970, 84 Stat. 1341; amended Pub. L. 93-496, § 12, Oct. 28, 1974, 88 Stat. 1531; Pub. L. 94-455, title XIX, § 1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 95-473, § 2(a)(2)(C), Oct. 17, 1978, 92 Stat. 1464; Pub. L. 96-454, § 3(b)(1), Oct. 15, 1980, 94 Stat. 2012; Pub. L. 97-261, § 6(d)(3), Sept. 20, 1982, 96 Stat. 1107; Pub. L. 99-521, § 4(3), Oct. 22, 1986, 100 Stat. 2993, related to certain payments to National Railroad Passenger Corporation.

SAVINGS PROVISION

For provisions that nothing in repeal by Pub. L. 101-508 be construed to affect treatment of certain transactions occurring, property acquired, or items of income, loss, deduction, or credit taken into account prior to Nov. 5, 1990, for purposes of determining liability for tax for periods ending after Nov. 5, 1990, see section 11821(b) of Pub. L. 101-508, set out as a note under section 45K of this title.

PART IX—ITEMS NOT DEDUCTIBLE

Sec.	
261.	General rule for disallowance of deductions.
262.	Personal, living, and family expenses.
263.	Capital expenditures.
263A.	Capitalization and inclusion in inventory costs of certain expenses.
264.	Certain amounts paid in connection with insurance contracts.
265.	Expenses and interest relating to tax-exempt income.
266.	Carrying charges.
267.	Losses, expenses, and interest with respect to transactions between related taxpayers.
268.	Sale of land with unharvested crop.
269.	Acquisitions made to evade or avoid income tax.
269A.	Personal service corporations formed or availed of to avoid or evade income tax.
269B.	Stapled entities.
[270.]	Repealed.]
271.	Debts owed by political parties, etc.
272.	Disposal of coal or domestic iron ore.
273.	Holder of life or terminable interest.
274.	Disallowance of certain entertainment, etc., expenses.
275.	Certain taxes.
276.	Certain indirect contributions to political parties.
277.	Deductions incurred by certain membership organizations in transactions with members.
[278.]	Repealed.]
279.	Interest on indebtedness incurred by corporation to acquire stock or assets of another corporation.
[280.]	Repealed.]
280A.	Disallowance of certain expenses in connection with business use of home, rental of vacation homes, etc.
280B.	Demolition of structures.
280C.	Certain expenses for which credits are allowable.
[280D.]	Repealed.]
280E.	Expenditures in connection with the illegal sale of drugs.
280F.	Limitation on depreciation for luxury automobiles; limitation where certain property used for personal purposes.

Sec.	
280G.	Golden parachute payments.
280H.	Limitation on certain amounts paid to owner-employees by personal service corporations electing alternative taxable years. <sup>1</sup>

AMENDMENTS

1996—Pub. L. 104-188, title I, § 1704(t)(55), Aug. 20, 1996, 110 Stat. 1890, provided that section 11813(b)(13)(F) of Pub. L. 101-508 shall be applied as if “tax” appeared after “investment” in the material proposed to be stricken. See 1990 Amendment note below.

1990—Pub. L. 101-508, title XI, § 11813(b)(13)(F), Nov. 5, 1990, 104 Stat. 1388-555, which directed the striking out of “investment credit and” in item 280F, was executed by striking out “investment tax credit and” after “Limitation on”. See 1996 Amendment note above.

1988—Pub. L. 100-418, title I, § 1941(b)(4)(B), Aug. 23, 1988, 102 Stat. 1324, struck out item 280D “Portion of chapter 45 taxes for which credit or refund is allowable under section 6429”.

1987—Pub. L. 100-203, title X, § 10206(c)(2), Dec. 22, 1987, 101 Stat. 1330-402, added item 280H.

1986—Pub. L. 99-514, title VIII, § 803(c)(1), (3), Oct. 22, 1986, 100 Stat. 2356, added item 263A and struck out items 278 “Capital expenditures incurred in planting and developing citrus and almond groves” and 280 “Certain expenditures incurred in production of films, books, records, or similar property”.

1984—Pub. L. 98-369, div. A, title I, §§ 67(d)(1), 136(b), 179(c), title X, § 1063(b)(2), July 18, 1984, 98 Stat. 587, 670, 718, 1047, added items 269B, 280F, and 280G, and struck out “certain historic” before “structures” in item 280B.

1983—Pub. L. 97-414, § 4(b)(2)(B), Jan. 4, 1983, 96 Stat. 2056, substituted “Certain expenses for which credits are allowable” for “Portion of wages for which credit is claimed under section 44B” in item 280C.

1982—Pub. L. 97-248, title II, § 250(b), title III, § 351(b), Sept. 3, 1982, 96 Stat. 528, 640, added items 269A and 280E.

1980—Pub. L. 96-499, title XI, § 1131(d)(2), Dec. 5, 1980, 94 Stat. 2693, added item 280D.

1977—Pub. L. 95-30, title II, § 202(c)(2), May 23, 1977, 91 Stat. 147, added item 280C.

1976—Pub. L. 94-455, title II, § 210(b), title VI, § 601(b), title XXI, § 2124(b)(2), Oct. 4, 1976, 90 Stat. 1544, 1572, 1918, added items 280, 280A, and 280B.

1971—Pub. L. 91-680, § 1(c), Jan. 12, 1971, 84 Stat. 2064, inserted “and almond” after “citrus” in item 278.

1969—Pub. L. 91-172, title I, § 121(b)(3)(B), title II, §§ 213(c)(2), 216(b), title IV, § 411(b), Dec. 30, 1969, 83 Stat. 541, 572, 574, 608, struck out item 270 “Limitation on deductions allowable to individuals in certain cases”, and added items 277 to 279.

1966—Pub. L. 89-368, title III, § 301(b), Mar. 15, 1966, 80 Stat. 67, added item 276.

1964—Pub. L. 88-272, title II, §§ 207(b)(3)(B), 227(b)(4), Feb. 26, 1964, 78 Stat. 42, 98, inserted “or domestic iron ore” in item 272, and added item 275.

1962—Pub. L. 87-834, § 4(a)(2), Oct. 16, 1962, 76 Stat. 976, added item 274.

**§ 261. General rule for disallowance of deductions**

In computing taxable income no deduction shall in any case be allowed in respect of the items specified in this part.

(Aug. 16, 1954, ch. 736, 68A Stat. 76.)

**§ 262. Personal, living, and family expenses**

**(a) General rule**

Except as otherwise expressly provided in this chapter, no deduction shall be allowed for personal, living, or family expenses.

<sup>1</sup> So in original. Does not conform to section catchline.