

The date of the enactment of the Creating Small Business Jobs Act of 2010, referred to in subsec. (a)(3), (4), is the date of enactment of Pub. L. 111-240, which was approved Sept. 27, 2010.

The date of the enactment of the Revenue Reconciliation Act of 1993, referred to in subsecs. (c)(1) and (d)(1)(A), is the date of enactment of Pub. L. 103-66, which was approved Aug. 10, 1993.

Section 301(d) of the Small Business Investment Act of 1958, referred to in subsec. (c)(2)(B)(ii), was classified to section 681(d) of Title 15, Commerce and Trade, prior to repeal by Pub. L. 104-208, div. D, title II, § 208(b)(3)(A), Sept. 30, 1996, 110 Stat. 3009-742.

PRIOR PROVISIONS

A prior section 1202, acts Aug. 16, 1954, ch. 736, 68A Stat. 320; Oct. 4, 1976, Pub. L. 94-455, title XIX, § 1901(b)(33)(M), 90 Stat. 1802; Nov. 6, 1978, Pub. L. 95-600, title IV, § 402(a), 92 Stat. 2867; Apr. 1, 1980, Pub. L. 96-222, title I, § 104(a)(2)(A), 94 Stat. 214, authorized deduction for capital gains, prior to repeal by Pub. L. 99-514, title III, § 301(a), (c), Oct. 22, 1986, 100 Stat. 2216, 2218, applicable to taxable years beginning after Dec. 31, 1986.

AMENDMENTS

2013—Subsec. (a)(2)(C). Pub. L. 112-240, § 327(b), substituted “2018” for “2016” in heading and “December 31, 2018” for “December 31, 2016” in text.

Subsec. (a)(3). Pub. L. 112-240, § 324(b)(1), inserted concluding provisions.

Subsec. (a)(4). Pub. L. 112-240, § 324(b)(2), inserted concluding provisions.

Pub. L. 112-240, § 324(a), substituted “, 2011, 2012, and 2013” for “and 2011” in heading and “January 1, 2014” for “January 1, 2012” in introductory provisions.

2010—Subsec. (a)(2)(C). Pub. L. 111-312, § 753(b), substituted “2016” for “2014” in heading and “December 31, 2016” for “December 31, 2014” in text.

Subsec. (a)(3). Pub. L. 111-240, § 2011(b), inserted “certain periods in” before “2010” in heading and substituted “on or before the date of the enactment of the Creating Small Business Jobs Act of 2010” for “before January 1, 2011” in text.

Subsec. (a)(4). Pub. L. 111-312, § 760(a), inserted “and 2011” after “2010” in heading and substituted “January 1, 2012” for “January 1, 2011” in introductory provisions.

Pub. L. 111-240, § 2011(a), added par. (4).

2009—Subsec. (a)(3). Pub. L. 111-5 added par. (3).

2004—Subsec. (e)(4)(C). Pub. L. 108-357 substituted “or REMIC” for “REMIC, or FASIT”.

2000—Pub. L. 106-554, § 1(a)(7) [title I, § 117(b)(2)], substituted “Partial” for “50-percent” in section catchline.

Subsec. (a). Pub. L. 106-554, § 1(a)(7) [title I, § 117(a)], amended heading and text of subsec. (a) generally. Prior to amendment, text read as follows: “In the case of a taxpayer other than a corporation, gross income shall not include 50 percent of any gain from the sale or exchange of qualified small business stock held for more than 5 years.”

1996—Subsec. (e)(4)(C). Pub. L. 104-188 substituted “REMIC, or FASIT” for “or REMIC”.

EFFECTIVE DATE OF 2013 AMENDMENT

Pub. L. 112-240, title III, § 324(c), Jan. 2, 2013, 126 Stat. 2333, provided that:

“(1) IN GENERAL.—The amendments made by subsection (a) [amending this section] shall apply to stock acquired after December 31, 2011.

“(2) SUBSECTION (B)(1).—The amendment made by subsection (b)(1) [amending this section] shall take effect as if included in section 1241(a) of division B of the American Recovery and Reinvestment Act of 2009 [Pub. L. 111-5].

“(3) SUBSECTION (B)(2).—The amendment made by subsection (b)(2) [amending this section] shall take effect as if included in section 2011(a) of the Creating Small Business Jobs Act of 2010 [title II of Pub. L. 111-240].”

Pub. L. 112-240, title III, § 327(d), Jan. 2, 2013, 126 Stat. 2334, provided that: “The amendments made by this section [amending this section and section 1391 of this title] shall apply to periods after December 31, 2011.”

EFFECTIVE DATE OF 2010 AMENDMENT

Pub. L. 111-312, title VII, § 753(d), Dec. 17, 2010, 124 Stat. 3321, provided that: “The amendments made by this section [amending this section and section 1391 of this title] shall apply to periods after December 31, 2009.”

Pub. L. 111-312, title VII, § 760(b), Dec. 17, 2010, 124 Stat. 3323, provided that: “The amendments made by this section [amending this section] shall apply to stock acquired after December 31, 2010.”

Pub. L. 111-240, title II, § 2011(c), Sept. 27, 2010, 124 Stat. 2554, provided that: “The amendments made by this section [amending this section] shall apply to stock acquired after the date of the enactment of this Act [Sept. 27, 2010].”

EFFECTIVE DATE OF 2009 AMENDMENT

Pub. L. 111-5, div. B, title I, § 1241(b), Feb. 17, 2009, 123 Stat. 342, provided that: “The amendment made by this section [amending this section] shall apply to stock acquired after the date of the enactment of this Act [Feb. 17, 2009].”

EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108-357 effective Jan. 1, 2005, with exception for any FASIT in existence on Oct. 22, 2004, to the extent that regular interests issued by the FASIT before such date continue to remain outstanding in accordance with the original terms of issuance, see section 835(c) of Pub. L. 108-357, set out as a note under section 56 of this title.

EFFECTIVE DATE OF 2000 AMENDMENT

Amendment by Pub. L. 106-554 applicable to stock acquired after Dec. 21, 2000, see section 1(a)(7) [title I, § 117(c)] of Pub. L. 106-554, set out as a note under section 1 of this title.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104-188 effective Sept. 1, 1997, see section 1621(d) of Pub. L. 104-188, set out as a note under section 26 of this title.

EFFECTIVE DATE

Section applicable to stock issued after Aug. 10, 1993, see section 13113(e) of Pub. L. 103-66, set out as an Effective Date of 1993 Amendment note under section 53 of this title.

PART II—TREATMENT OF CAPITAL LOSSES

Sec.

1211. Limitation on capital losses.
1212. Capital loss carrybacks and carryovers.

AMENDMENTS

1969—Pub. L. 91-172, title V, § 512(f)(2), Dec. 30, 1969, 83 Stat. 641, substituted “carrybacks and carryovers” for “carryover” in item 1212.

§ 1211. Limitation on capital losses

(a) Corporations

In the case of a corporation, losses from sales or exchanges of capital assets shall be allowed only to the extent of gains from such sales or exchanges.

(b) Other taxpayers

In the case of a taxpayer other than a corporation, losses from sales or exchanges of capital assets shall be allowed only to the extent of the