

quirements of subparagraphs (A) and (C) of section 509(a)(3) and is—

- (i) operated, supervised, or controlled by one or more organizations described in paragraph (1) or (2) of section 509(a), or
- (ii) supervised or controlled in connection with one or more such organizations.

(C) Functionally integrated type III supporting organizations

An organization is described in this subparagraph if the organization is a functionally integrated type III supporting organization (as defined under section 4943(f)(5)(B)).

(Added Pub. L. 109-280, title XII, §1231(a), Aug. 17, 2006, 120 Stat. 1095.)

EFFECTIVE DATE

Section applicable to taxable years beginning after Aug. 17, 2006, see section 1231(c) of Pub. L. 109-280, set out as an Effective Date of 2006 Amendment note under section 4963 of this title.

§ 4967. Taxes on prohibited benefits

(a) Imposition of taxes

(1) On the donor, donor advisor, or related person

There is hereby imposed on the advice of any person described in subsection (d) to have a sponsoring organization make a distribution from a donor advised fund which results in such person or any other person described in subsection (d) receiving, directly or indirectly, a more than incidental benefit as a result of such distribution, a tax equal to 125 percent of such benefit. The tax imposed by this paragraph shall be paid by any person described in subsection (d) who advises as to the distribution or who receives such a benefit as a result of the distribution.

(2) On the fund management

There is hereby imposed on the agreement of any fund manager to the making of a distribution, knowing that such distribution would confer a benefit described in paragraph (1), a tax equal to 10 percent of the amount of such benefit. The tax imposed by this paragraph shall be paid by any fund manager who agreed to the making of the distribution.

(b) Exception

No tax shall be imposed under this section with respect to any distribution if a tax has been imposed with respect to such distribution under section 4958.

(c) Special rules

For purposes of subsection (a)—

(1) Joint and several liability

If more than one person is liable under paragraph (1) or (2) of subsection (a) with respect to a distribution described in subsection (a), all such persons shall be jointly and severally liable under such paragraph with respect to such distribution.

(2) Limit for management

With respect to any one distribution described in subsection (a), the maximum amount of the tax imposed by subsection (a)(2) shall not exceed \$10,000.

(d) Person described

A person is described in this subsection if such person is described in section 4958(f)(7) with respect to a donor advised fund.

(Added Pub. L. 109-280, title XII, §1231(a), Aug. 17, 2006, 120 Stat. 1097.)

EFFECTIVE DATE

Section applicable to taxable years beginning after Aug. 17, 2006, see section 1231(c) of Pub. L. 109-280, set out as an Effective Date of 2006 Amendment note under section 4963 of this title.

CHAPTER 43—QUALIFIED PENSION, ETC., PLANS

Sec.

- 4971. Taxes on failure to meet minimum funding standards.
- 4972. Tax on nondeductible contributions to qualified employer plans.
- 4973. Tax on excess contributions to certain tax-favored accounts and annuities.
- 4974. Excise tax on certain accumulations in qualified retirement plans.
- 4975. Tax on prohibited transactions.
- 4976. Taxes with respect to funded welfare benefit plans.
- 4977. Tax on certain fringe benefits provided by an employer.
- 4978. Tax on certain dispositions by employee stock ownership plans and certain cooperatives.
- [4978A, 4978B. Repealed.]
- 4979. Tax on certain excess contributions.
- 4979A. Tax on certain prohibited allocations of qualified securities.
- 4980. Tax on reversion of qualified plan assets to employer.
- 4980A. Tax on excess distributions from qualified retirement plans.¹
- 4980B. Failure to satisfy continuation coverage requirements of group health plans.
- 4980C. Requirements for issuers of qualified long-term care insurance contracts.
- 4980D. Failure to meet certain group health plan requirements.
- 4980E. Failure of employer to make comparable Archer MSA contributions.
- 4980F. Failure of applicable plans reducing benefit accruals to satisfy notice requirements.
- 4980G. Failure of employer to make comparable health savings account contributions.
- 4980H. Shared responsibility for employers regarding health coverage.
- 4980I. Excise tax on high cost employer-sponsored health coverage.

AMENDMENTS

2010—Pub. L. 111-148, title I, §1513(b), title IX, §9001(b), Mar. 23, 2010, 124 Stat. 256, 853, added items 4980H and 4980I.

2003—Pub. L. 108-173, title XII, §1201(d)(4)(B), Dec. 8, 2003, 117 Stat. 2478, added item 4980G.

2002—Pub. L. 107-147, title IV, §417(17)(B), Mar. 9, 2002, 116 Stat. 56, substituted “Archer MSA contributions” for “medical savings account contributions” in item 4980E.

2001—Pub. L. 107-16, title VI, §659(a)(2), June 7, 2001, 115 Stat. 139, added item 4980F.

1998—Pub. L. 105-206, title VI, §6023(18)(B), July 22, 1998, 112 Stat. 825, substituted “certain tax-favored accounts and annuities” for “individual retirement accounts, certain section 403(b) contracts, and certain individual retirement annuities” in item 4973.

¹ Section repealed by Pub. L. 105-34 without corresponding amendment of chapter analysis.