

Subsec. (c). Pub. L. 94-455, §1204(c)(9), added subsec. (c).

EFFECTIVE DATE OF 1989 AMENDMENT

Amendment by Pub. L. 101-239 effective as if included in the provision of the Revenue Act of 1987, Pub. L. 100-203, title X, to which such amendment relates, see section 7823 of Pub. L. 101-239, set out as a note under section 26 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Pub. L. 100-647, title VI, §6245(b), Nov. 10, 1988, 102 Stat. 3751, provided that: "The amendments made by this section [amending this section] shall take effect on the 90th day after the date of the enactment of this Act [Nov. 10, 1988]."

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by section 1204(c)(7)-(9) of Pub. L. 94-455 applicable with respect to action taken under section 6851, 6861, or 6862 of this title where notice and demand takes place after Feb. 28, 1977, see section 1204(d) of Pub. L. 94-455, as amended, set out as a note under section 6851 of this title.

Amendment by section 1906(a)(38), (b)(13)(A) of Pub. L. 94-455 effective on first day of first month which begins more than ninety days after Oct. 4, 1976, see section 1906(d)(1) of Pub. L. 94-455, set out as a note under section 6013 of this title.

**§ 6864. Termination of extended period for payment in case of carryback**

**For termination of extensions of time for payment of income tax granted to corporations expecting carrybacks in case of jeopardy, see section 6164(h).**

(Aug. 16, 1954, ch. 736, 68A Stat. 837.)

PART III—SPECIAL RULES WITH RESPECT TO CERTAIN CASH

Sec. 6867. Presumptions where owner of large amount of cash is not identified.

**§ 6867. Presumptions where owner of large amount of cash is not identified**

**(a) General rule**

If the individual who is in physical possession of cash in excess of \$10,000 does not claim such cash—

- (1) as his, or
- (2) as belonging to another person whose identity the Secretary can readily ascertain and who acknowledges ownership of such cash,

then, for purposes of sections 6851 and 6861, it shall be presumed that such cash represents gross income of a single individual for the taxable year in which the possession occurs, and that the collection of tax will be jeopardized by delay.

**(b) Rules for assessing**

In the case of any assessment resulting from the application of subsection (a)—

- (1) the entire amount of the cash shall be treated as taxable income for the taxable year in which the possession occurs,
- (2) such income shall be treated as taxable at the highest rate of tax specified in section 1, and
- (3) except as provided in subsection (c), the possessor of the cash shall be treated (solely with respect to such cash) as the taxpayer for

purposes of chapters 63 and 64 and section 7429(a)(1).

**(c) Effect of later substitution of true owner**

If, after an assessment resulting from the application of subsection (a), such assessment is abated and replaced by an assessment against the owner of the cash, such later assessment shall be treated for purposes of all laws relating to lien, levy and collection as relating back to the date of the original assessment.

**(d) Definitions**

For purposes of this section—

**(1) Cash**

The term "cash" includes any cash equivalent.

**(2) Cash equivalent**

The term "cash equivalent" means—

- (A) foreign currency,
- (B) any bearer obligation, and
- (C) any medium of exchange which—
  - (i) is of a type which has been frequently used in illegal activities, and
  - (ii) is specified as a cash equivalent for purposes of this part in regulations prescribed by the Secretary.

**(3) Value of cash equivalent**

Any cash equivalent shall be taken into account—

- (A) in the case of a bearer obligation, at its face amount, and
- (B) in the case of any other cash equivalent, at its fair market value.

(Added Pub. L. 97-248, title III, §330(a), Sept. 3, 1982, 96 Stat. 619; amended Pub. L. 100-647, title I, §1001(a)(1), Nov. 10, 1988, 102 Stat. 3349.)

AMENDMENTS

1988—Subsec. (b)(2). Pub. L. 100-647 substituted "the highest rate of tax specified in section 1" for "a 50-percent rate".

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-647 effective, except as otherwise provided, as if included in the provision of the Tax Reform Act of 1986, Pub. L. 99-514, to which such amendment relates, see section 1019(a) of Pub. L. 100-647, set out as a note under section 1 of this title.

EFFECTIVE DATE

Pub. L. 97-248, title III, §330(c), Sept. 3, 1982, 96 Stat. 620, provided that: "The amendments made by subsections (a) and (b) [enacting this section] shall take effect on the day after the date of the enactment of this Act [Sept. 3, 1982]."

**Subchapter B—Receiverships, Etc.**

Sec. 6871. Claims for income, estate, gift, and certain excise taxes in receivership proceedings, etc.  
 6872. Suspension of period on assessment.  
 6873. Unpaid claims.

AMENDMENTS

1980—Pub. L. 96-589, §6(g)(3)(A), (B), Dec. 24, 1980, 94 Stat. 3410, substituted "Receiverships, Etc." for "Bankruptcy and Receiverships" in subchapter heading, and "gift, and certain excise taxes in receivership proceedings, etc." for "and gift taxes in bankruptcy and receivership proceedings" in item 6871.

**§ 6871. Claims for income, estate, gift, and certain excise taxes in receivership proceedings, etc.**

**(a) Immediate assessment in receivership proceedings**

On the appointment of a receiver for the taxpayer in any receivership proceeding before any court of the United States or of any State or of the District of Columbia, any deficiency (together with all interest, additional amounts, and additions to the tax provided by law) determined by the Secretary in respect of a tax imposed by subtitle A or B or by chapter 41, 42, 43, or 44 on such taxpayer may, despite the restrictions imposed by section 6213(a) on assessments, be immediately assessed if such deficiency has not theretofore been assessed in accordance with law.

**(b) Immediate assessment with respect to certain title 11 cases**

Any deficiency (together with all interest, additional amounts, and additions to the tax provided by law) determined by the Secretary in respect of a tax imposed by subtitle A or B or by chapter 41, 42, 43, or 44 on—

- (1) the debtor's estate in a case under title 11 of the United States Code, or
- (2) the debtor, but only if liability for such tax has become res judicata pursuant to a determination in a case under title 11 of the United States Code,

may, despite the restrictions imposed by section 6213(a) on assessments, be immediately assessed if such deficiency has not theretofore been assessed in accordance with law.

**(c) Claim filed despite pendency of tax court proceedings**

In the case of a tax imposed by subtitle A or B or by chapter 41, 42, 43, or 44—

- (1) claims for the deficiency and for interest, additional amounts, and additions to the tax may be presented, for adjudication in accordance with law, to the court before which the receivership proceeding (or the case under title 11 of the United States Code) is pending, despite the pendency of proceedings for the redetermination of the deficiency pursuant to a petition to the Tax Court; but
- (2) in the case of a receivership proceeding, no petition for any such redetermination shall be filed with the Tax Court after the appointment of the receiver.

(Aug. 16, 1954, ch. 736, 68A Stat. 838; Pub. L. 85-866, title I, § 88, Sept. 2, 1958, 72 Stat. 1665; Pub. L. 94-455, title XIX, §§ 1906(b)(13)(A), (c)(1), Oct. 4, 1976, 90 Stat. 1834, 1835; Pub. L. 96-589, § 6(g)(1), Dec. 24, 1980, 94 Stat. 3409; Pub. L. 101-239, title VII, § 7841(d)(2), Dec. 19, 1989, 103 Stat. 2428.)

AMENDMENTS

1989—Pub. L. 101-239 substituted “or 44” for “44, or 45” in subses. (a), (b), and (c).

1980—Subsec. (a). Pub. L. 96-589 amended subsec. (a) generally, substituting reference to appointment of a receiver for the taxpayer in any receivership proceedings, for reference to adjudication of bankruptcy of a taxpayer in a liquidating proceeding, the filing or the approval of a petition or the approval of a petition against any taxpayer in any other bankruptcy proceed-

ing, or the appointment of a receiver for any taxpayer in any receivership proceeding, and inserted reference to chapters 41, 42, 43, 44, and 45.

Subsecs. (b), (c). Pub. L. 96-589 added subsec. (b), redesignated former subsec. (b) as (c), inserted reference to chapters 41, 42, 43, 44, and 45, and struck out reference to bankruptcy proceedings.

1976—Subsec. (a). Pub. L. 94-455, § 1906(b)(13)(A), struck out “or his delegate” after “Secretary”.

Pub. L. 94-455, § 1906(c)(1), struck out “or Territory” after “any State”.

1958—Subsec. (a). Pub. L. 85-866, § 88(a), substituted “the filing or (where approval is required by the Bankruptcy Act) the approval of a petition of, or the approval of a petition against, any taxpayer” for “the approval of a petition of, or against, any taxpayer”.

Subsec. (b). Pub. L. 85-866, § 88(b), substituted “the filing or (where approval is required by the Bankruptcy Act) the approval of a petition of, or the approval of a petition against, any taxpayer” for “approval of the petition”.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-589 effective Oct. 1, 1979, but not applicable to proceedings under Title 11, Bankruptcy, commenced before Oct. 1, 1979, see section 7(e) of Pub. L. 96-589, set out as a note under section 108 of this title.

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by Pub. L. 94-455 effective on first day of first month which begins more than ninety days after Oct. 4, 1976, see section 1906(d)(1) of Pub. L. 94-455, set out as a note under section 6013 of this title.

EFFECTIVE DATE OF 1958 AMENDMENT

Amendment by Pub. L. 85-866 effective Aug. 17, 1954, see section 1(c)(2) of Pub. L. 85-866, set out as a note under section 165 of this title.

**§ 6872. Suspension of period on assessment**

If the regulations issued pursuant to section 6036 require the giving of notice by any fiduciary in any case under title 11 of the United States Code, or by a receiver in any other court proceeding, to the Secretary of his qualification as such, the running of the period of limitations on the making of assessments shall be suspended for the period from the date of the institution of the proceeding to a date 30 days after the date upon which the notice from the receiver or other fiduciary is received by the Secretary; but the suspension under this sentence shall in no case be for a period in excess of 2 years.

(Aug. 16, 1954, ch. 736, 68A Stat. 838; Pub. L. 94-455, title XIX, § 1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 96-589, § 6 (i)(12), Dec. 24, 1980, 94 Stat. 3411.)

AMENDMENTS

1980—Pub. L. 96-589 substituted “any case under title 11 of the United States Code” for “any proceeding under the Bankruptcy Act”.

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary” wherever appearing.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-589 effective Oct. 1, 1979, but not applicable to proceedings under Title 11, Bankruptcy, commenced before Oct. 1, 1979, see section 7(e) of Pub. L. 96-589, set out as a note under section 108 of this title.

**§ 6873. Unpaid claims**

**(a) General rule**

Any portion of a claim for taxes allowed in a receivership proceeding which is unpaid shall be