

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.

CHAPTER 53—WALL STREET REFORM AND CONSUMER PROTECTION

Sec.	
5301.	Definitions.
5302.	Severability.
5303.	Antitrust savings clause.

SUBCHAPTER I—FINANCIAL STABILITY

5311.	Definitions.
-------	--------------

PART A—FINANCIAL STABILITY OVERSIGHT COUNCIL

5321.	Financial Stability Oversight Council established.
5322.	Council authority.
5323.	Authority to require supervision and regulation of certain nonbank financial companies.

Sec.	
5324.	Registration of nonbank financial companies supervised by the Board of Governors.
5325.	Enhanced supervision and prudential standards for nonbank financial companies supervised by the Board of Governors and certain bank holding companies.
5326.	Reports.
5327.	Treatment of certain companies that cease to be bank holding companies.
5328.	Council funding.
5329.	Resolution of supervisory jurisdictional disputes among member agencies.
5330.	Additional standards applicable to activities or practices for financial stability purposes.
5331.	Mitigation of risks to financial stability.
5332.	GAO audit of Council.
5333.	Study of the effects of size and complexity of financial institutions on capital market efficiency and economic growth.

PART B—OFFICE OF FINANCIAL RESEARCH

5341.	Definitions.
5342.	Office of Financial Research established.
5343.	Purpose and duties of the Office.
5344.	Organizational structure; responsibilities of primary programmatic units.
5345.	Funding.
5346.	Transition oversight.

PART C—ADDITIONAL BOARD OF GOVERNORS AUTHORITY FOR CERTAIN NONBANK FINANCIAL COMPANIES AND BANK HOLDING COMPANIES

5361.	Reports by and examinations of nonbank financial companies by the Board of Governors.
5362.	Enforcement.
5363.	Acquisitions.
5364.	Prohibition against management interlocks between certain financial companies.
5365.	Enhanced supervision and prudential standards for nonbank financial companies supervised by the Board of Governors and certain bank holding companies.
5366.	Early remediation requirements.
5367.	Affiliations.
5368.	Regulations.
5369.	Avoiding duplication.
5370.	Safe harbor.
5371.	Leverage and risk-based capital requirements.
5372.	Rule of construction.
5373.	International policy coordination.
5374.	Rule of construction.

SUBCHAPTER II—ORDERLY LIQUIDATION AUTHORITY

5381.	Definitions.
5382.	Judicial review.
5383.	Systemic risk determination.
5384.	Orderly liquidation of covered financial companies.
5385.	Orderly liquidation of covered brokers and dealers.
5386.	Mandatory terms and conditions for all orderly liquidation actions.
5387.	Directors not liable for acquiescing in appointment of receiver.
5388.	Dismissal and exclusion of other actions.
5389.	Rulemaking; non-conflicting law.
5390.	Powers and duties of the Corporation.
5391.	Inspector General reviews.
5392.	Prohibition of circumvention and prevention of conflicts of interest.
5393.	Ban on certain activities by senior executives and directors.
5394.	Prohibition on taxpayer funding.

SUBCHAPTER III—TRANSFER OF POWERS TO THE COMPTROLLER OF THE CURRENCY, THE CORPORATION, AND THE BOARD OF GOVERNORS

5401.	Purposes.
-------	-----------