

(1) Last preenactment year

The term “last preenactment year” means the last taxable year of a corporation which begins before January 1, 1983.

(2) 1st postenactment year

The term “1st postenactment year” means the 1st taxable year of a corporation which begins after December 31, 1982.

(Added Pub. L. 97-354, § 2, Oct. 19, 1982, 96 Stat. 1686; amended Pub. L. 98-369, div. A, title VII, § 721(n), July 18, 1984, 98 Stat. 969.)

REFERENCES IN TEXT

The enactment of the Subchapter S Revision Act of 1982, referred to in subsecs. (a) to (c), is the enactment of Pub. L. 97-354, which was approved Oct. 19, 1982.

PRIOR PROVISIONS

A prior section 1379, added Pub. L. 91-172, title V, § 531(a), Dec. 30, 1969, 83 Stat. 654; amended Pub. L. 93-406, title II, § 2001(b), Sept. 2, 1974, 88 Stat. 952; Pub. L. 97-34, title III, § 312(c)(6), Aug. 13, 1981, 95 Stat. 284; Pub. L. 97-248, title II, § 238(c), Sept. 3, 1982, 96 Stat. 513, related to certain qualified pension, etc., plans, prior to the general revision of this subchapter by section 2 of Pub. L. 97-354.

AMENDMENTS

1984—Subsec. (b). Pub. L. 98-369 struck out “In applying this subchapter to any taxable year beginning after December 31, 1982,” and substituted “Any references in this title to a provision” for “any reference in this subchapter to another provision”.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-369 effective as if included in Subchapter S Revision Act of 1982, Pub. L. 97-354, see section 721(y)(1) of Pub. L. 98-369, set out as a note under section 1361 of this title.

EFFECTIVE DATE

Section applicable to taxable years beginning after Dec. 31, 1983, except that this section as in effect before Oct. 19, 1982, to remain in effect for years beginning before Jan. 1, 1984, see section 6(a), (b)(1) of Pub. L. 97-354, set out as a note under section 1361 of this title.

COORDINATION OF REPEALS OF CERTAIN SECTIONS

Subsec. (b) of this section as in effect on day before Sept. 3, 1982, inapplicable to any section 401(j) plan, see section 713(d)(8) of Pub. L. 98-369, set out as a note under section 404 of this title.

Subchapter T—Cooperatives and Their Patrons

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| Part | |
| I. | Tax treatment of cooperatives. |
| II. | Tax treatment by patrons of patronage dividends and per-unit retain allocations. |
| III. | Definitions; special rules. |

AMENDMENTS

1966—Pub. L. 89-809, title II, § 211(b)(5), Nov. 13, 1966, 80 Stat. 1582, inserted “and per-unit retain allocations” in heading of part II.

1962—Pub. L. 87-834, § 17(a), Oct. 16, 1962, 76 Stat. 1045, added headings of subchapter T and of parts I to III.

PART I—TAX TREATMENT OF COOPERATIVES

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| Sec. | |
| 1381. | Organizations to which part applies. |
| 1382. | Taxable income of cooperatives. |
| 1383. | Computation of tax where cooperative redeems nonqualified written notices of allocation or nonqualified per-unit retain certificates. |

Sec.

AMENDMENTS

1966—Pub. L. 89-809, title II, § 211(a)(8), Nov. 13, 1966, 80 Stat. 1582, inserted “or nonqualified per-unit retain certificates” in item 1383.

1962—Pub. L. 87-834, § 17(a), Oct. 16, 1962, 76 Stat. 1045, added heading of part I and items 1381 to 1383.

§ 1381. Organizations to which part applies**(a) In general**

This part shall apply to—

(1) any organization exempt from tax under section 521 (relating to exemption of farmers' cooperatives from tax), and

(2) any corporation operating on a cooperative basis other than an organization—

(A) which is exempt from tax under this chapter,

(B) which is subject to the provisions of—

(i) part II of subchapter H (relating to mutual savings banks, etc.), or

(ii) subchapter L (relating to insurance companies), or

(C) which is engaged in furnishing electric energy, or providing telephone service, to persons in rural areas.

(b) Tax on certain farmers' cooperatives

An organization described in subsection (a)(1) shall be subject to the taxes imposed by section 11 or 1201.

(c) Cross reference

For treatment of income from load loss transactions of organizations described in subsection (a)(2)(C), see section 501(c)(12)(H).

(Added Pub. L. 87-834, § 17(a), Oct. 16, 1962, 76 Stat. 1045; amended Pub. L. 108-357, title III, § 319(d), Oct. 22, 2004, 118 Stat. 1472.)

AMENDMENTS

2004—Subsec. (c). Pub. L. 108-357 added subsec. (c).

EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108-357 applicable to taxable years beginning after Oct. 22, 2004, see section 319(e) of Pub. L. 108-357, set out as a note under section 501 of this title.

EFFECTIVE DATE

Pub. L. 87-834, § 17(c), Oct. 16, 1962, 76 Stat. 1051, as amended by Pub. L. 99-514, § 2, Oct. 22, 1986, 100 Stat. 2095, provided that:

“(1) FOR THE COOPERATIVES.—Except as provided in paragraph (3), the amendments made by subsections (a) and (b) [enacting this subchapter, amending sections 521 and 6072 of this title, and repealing section 522 of this title] shall apply to taxable years of organizations described in section 1381(a) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] (as added by subsection (a)) beginning after December 31, 1962.

“(2) FOR THE PATRONS.—Except as provided in paragraph (3), section 1385 of the Internal Revenue Code of 1986 (as added by subsection (a)) shall apply with respect to any amount received from any organization described in section 1381(a) of such Code, to the extent that such amount is paid by such organization in a taxable year of such organization beginning after December 31, 1962.

“(3) APPLICATION OF EXISTING LAW.—In the case of any money, written notice of allocation, or other property paid by any organization described in section 1381(a)—

“(A) before the first day of the first taxable year of such organization beginning after December 31, 1962, or