

cation (including the use of statistical sampling techniques), and

“(B) the remainder shall be distributed under performance standards prescribed by the Secretary of Labor.

The Secretary of Labor shall each calendar year beginning with calendar year 1983 report to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate with respect to the results of the testing conducted under subparagraph (A) during the preceding calendar year.”

[For termination, effective May 15, 2000, of reporting provisions in section 261(f)(2) of Pub. L. 97-34, set out above, see section 3003 of Pub. L. 104-66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and page 124 of House Document No. 103-7.]

[Amendment by Pub. L. 101-508 applicable to fiscal years beginning after 1990, see section 11405(c)(2) of Pub. L. 101-508, set out as an Effective Date of 1990 Amendment note above.]

PLAN AMENDMENTS NOT REQUIRED UNTIL  
JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101-1147 and 1171-1177] or title XVIII [§§ 1800-1899A] of Pub. L. 99-514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99-514, as amended, set out as a note under section 401 of this title.

SPECIAL RULES FOR NEWLY TARGETED GROUPS

Pub. L. 95-600, title III, § 321(d)(2), Nov. 6, 1978, 92 Stat. 2835, as amended by Pub. L. 96-222, title I, § 103(a)(6)(C), (G)(xi), Apr. 1, 1980, 94 Stat. 209, 211; Pub. L. 99-514, § 2, Oct. 22, 1986, 100 Stat. 2095, provided that:

“(A) INDIVIDUAL MUST BE HIRED AFTER SEPTEMBER 26, 1978.—In the case of a member of a newly targeted group, for purposes of applying the amendments made by this section—

“(i) such individual shall be taken into account for purposes of the credit allowable by section 44B of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] only if such individual is first hired by the employer after September 26, 1978, and

“(ii) such individual shall be treated for purposes of such credit as having first begun work for the employer not earlier than January 1, 1979.

“(B) MEMBER OF NEWLY TARGETED GROUP DEFINED.—For purposes of subparagraph (A), an individual is a member of a newly targeted group if—

“(i) such individual meets the requirements of paragraph (1) of section 51(d) of such Code, and

“(ii) in the case of an individual meeting the requirements of subparagraph (A) of such paragraph (1), a credit was not claimed for such individual by the taxpayer for a taxable year beginning before January 1, 1979.”

CREDIT ALLOWABLE BY SECTION 44B IN CASE OF TAXABLE YEAR BEGINNING IN 1978 AND ENDING AFTER DECEMBER 31, 1978

Pub. L. 95-600, title III, § 321(d)(3), Nov. 6, 1978, 92 Stat. 2836, as amended by Pub. L. 96-222, title I, § 103(a)(6)(D), Apr. 1, 1980, 94 Stat. 209; Pub. L. 99-514, § 2, Oct. 22, 1986, 100 Stat. 2095, provided that: “In the case of a taxable year which begins in 1978 and ends after December 31, 1978, the amount of the credit determined under section 51 of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] shall be the sum of—

“(A) the amount of the credit which would be so determined without regard to the amendments made by this section, plus

“(B) the amount of the credit which would be so determined by reason of the amendments made by this section.”

**[§ 51A. Repealed. Pub. L. 109-432, div. A, title I, § 105(e)(4)(A), Dec. 20, 2006, 120 Stat. 2937]**

Section, added Pub. L. 105-34, title VIII, § 801(a), Aug. 5, 1997, 111 Stat. 869; amended Pub. L. 105-277, div. J, title I, § 1003, Oct. 21, 1998, 112 Stat. 2681-888; Pub. L. 106-170, title V, § 505(a), Dec. 17, 1999, 113 Stat. 1921; Pub. L. 107-16, title IV, § 411(c), June 7, 2001, 115 Stat. 63; Pub. L. 107-147, title IV, § 417(4), title VI, § 605(a), Mar. 9, 2002, 116 Stat. 56, 60; Pub. L. 108-311, title III, § 303(a)(2), Oct. 4, 2004, 118 Stat. 1179; Pub. L. 109-432, div. A, title I, § 105(a), Dec. 20, 2006, 120 Stat. 2936, related to temporary incentives for employing long-term family assistance recipients. See section 51(e) of this title.

EFFECTIVE DATE OF REPEAL

Repeal applicable to individuals who begin work for the employer after Dec. 31, 2006, see section 105(f)(2) of Pub. L. 109-432, set out as an Effective Date of 2006 Amendment note under section 51 of this title.

**§ 52. Special rules**

**(a) Controlled group of corporations**

For purposes of this subpart, all employees of all corporations which are members of the same controlled group of corporations shall be treated as employed by a single employer. In any such case, the credit (if any) determined under section 51(a) with respect to each such member shall be its proportionate share of the wages giving rise to such credit. For purposes of this subsection, the term “controlled group of corporations” has the meaning given to such term by section 1563(a), except that—

(1) “more than 50 percent” shall be substituted for “at least 80 percent” each place it appears in section 1563(a)(1), and

(2) the determination shall be made without regard to subsections (a)(4) and (e)(3)(C) of section 1563.

**(b) Employees of partnerships, proprietorships, etc., which are under common control**

For purposes of this subpart, under regulations prescribed by the Secretary—

(1) all employees of trades or business (whether or not incorporated) which are under common control shall be treated as employed by a single employer, and

(2) the credit (if any) determined under section 51(a) with respect to each trade or business shall be its proportionate share of the wages giving rise to such credit.

The regulations prescribed under this subsection shall be based on principles similar to the principles which apply in the case of subsection (a).

**(c) Tax-exempt organizations**

**(1) In general**

No credit shall be allowed under section 38 for any work opportunity credit determined under this subpart to any organization (other than a cooperative described in section 521) which is exempt from income tax under this chapter.

**(2) Credit made available to qualified tax-exempt organizations employing qualified veterans**

**For credit against payroll taxes for employment of qualified veterans by qualified tax-exempt organizations, see section 3111(e).**

**(d) Estates and trusts**

In the case of an estate or trust—