

- III. Items specifically excluded from gross income.
- IV. Determination of marital status.¹
- V. Deductions for personal exemptions.
- VI. Itemized deductions for individuals and corporations.
- VII. Additional itemized deductions for individuals.
- VIII. Special deductions for corporations.
- IX. Items not deductible.
- X. Terminal railroad corporations and their shareholders.
- XI. Special rules relating to corporate preference items.

AMENDMENTS

1982—Pub. L. 97-248, title II, §204(c)(2), Sept. 3, 1982, 96 Stat. 427, added item for part XI.

1977—Pub. L. 95-30, title I, §101(e)(3), May 23, 1977, 91 Stat. 135, substituted “Determination of marital status” for “Standard deduction for individuals” in item for part IV.

1976—Pub. L. 94-455, title XIX, §1901(b)(4)(C), Oct. 4, 1976, 90 Stat. 1793, substituted “taxable income, etc.” for “and taxable income.” in item for part I.

1962—Pub. L. 87-870, §1(b), Oct. 23, 1962, 76 Stat. 1160, added item for part X.

PART I—DEFINITION OF GROSS INCOME, ADJUSTED GROSS INCOME, TAXABLE INCOME, ETC.

Sec.

- 61. Gross income defined.
- 62. Adjusted gross income defined.
- 63. Taxable income defined.
- 64. Ordinary income defined.
- 65. Ordinary loss defined.
- 66. Treatment of community income.
- 67. 2-percent floor on miscellaneous itemized deductions.
- 68. Overall limitation on itemized deductions.

AMENDMENTS

1990—Pub. L. 101-508, title XI, §11103(d), Nov. 5, 1990, 104 Stat. 1388-407, added item 68.

1986—Pub. L. 99-514, title I, §132(d), Oct. 22, 1986, 100 Stat. 2116, added item 67.

1984—Pub. L. 98-369, div. A, title IV, §424(b)(2)(C), July 18, 1984, 98 Stat. 803, struck out “where spouses live apart” in item 66.

1980—Pub. L. 96-605, title I, §101(b), Dec. 28, 1980, 94 Stat. 3522, added item 66.

1976—Pub. L. 94-455, title XIX, §1901(b)(4)(A), (B), Oct. 4, 1976, 90 Stat. 1793, substituted “TAXABLE INCOME, ETC.” for “AND TAXABLE INCOME” in part heading, and added items 64 and 65.

§ 61. Gross income defined

(a) General definition

Except as otherwise provided in this subtitle, gross income means all income from whatever source derived, including (but not limited to) the following items:

- (1) Compensation for services, including fees, commissions, fringe benefits, and similar items;
- (2) Gross income derived from business;
- (3) Gains derived from dealings in property;
- (4) Interest;
- (5) Rents;
- (6) Royalties;
- (7) Dividends;

(8) Alimony and separate maintenance payments;

(9) Annuities;

(10) Income from life insurance and endowment contracts;

(11) Pensions;

(12) Income from discharge of indebtedness;

(13) Distributive share of partnership gross income;

(14) Income in respect of a decedent; and

(15) Income from an interest in an estate or trust.

(b) Cross references

For items specifically included in gross income, see part II (sec. 71 and following). For items specifically excluded from gross income, see part III (sec. 101 and following).

(Aug. 16, 1954, ch. 736, 68A Stat. 17; Pub. L. 98-369, div. A, title V, §531(c), July 18, 1984, 98 Stat. 884.)

AMENDMENTS

1984—Subsec. (a)(1). Pub. L. 98-369 inserted reference to fringe benefits.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-369 effective Jan. 1, 1985, see section 531(h) of Pub. L. 98-369, set out as an Effective Date note under section 132 of this title.

TERMINATION DATE OF 1978 AMENDMENT

Pub. L. 95-615, §210(a), Nov. 8, 1978, 92 Stat. 3109, provided that: “Title I of this Act [probably means sections 1 to 8 of Pub. L. 95-615, see Short Title of 1978 Amendment note under section 1 of this title] (other than sections 4 and 5 thereof) [amending section 167 of this title, enacting provisions set out as notes under this section and sections 61 and 62 of this title, and amending provisions set out as notes under sections 117, 167, and 382 of this title] shall cease to have effect on the day after the date of the enactment of this Act [Nov. 8, 1978].”

REGULATIONS

Pub. L. 95-427, §1, Oct. 7, 1978, 92 Stat. 996, as amended by Pub. L. 96-167, §1, Dec. 29, 1979, 93 Stat. 1275; Pub. L. 97-34, title VIII, §801, Aug. 13, 1981, 95 Stat. 349; Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that:

“(a) IN GENERAL.—No fringe benefit regulation shall be issued—

“(1) in final form on or after May 1, 1978, and on or before December 31, 1983, or

“(2) in proposed or final form on or after May 1, 1978, if such regulation has an effective date on or before December 31, 1983.

“(b) DEFINITION OF FRINGE BENEFIT REGULATION.—For purposes of subsection (a), the term ‘fringe benefit regulation’ means a regulation providing for the inclusion of any fringe benefit in gross income by reason of section 61 of the Internal Revenue Code of 1986 [formerly I.R.C. 1954].”

Pub. L. 95-615, §3, Nov. 8, 1978, 92 Stat. 3097, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that no regulations be issued in final form on or after Oct. 1, 1977, and before July 1, 1978, providing for inclusion of any fringe benefit in gross income by reason of section 61 of the Internal Revenue Code of 1986 [formerly I.R.C. 1954], ceased to have effect on the day after Nov. 8, 1978, pursuant to section 210(a) of that Act.

NO GAIN RECOGNIZED FROM NET GIFTS MADE BEFORE MARCH 4, 1981

Pub. L. 98-369, div. A, title X, §1026, July 18, 1984, 98 Stat. 1031, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that:

“(a) IN GENERAL.—In the case of any transfer of property subject to gift tax made before March 4, 1981, for

¹ Part heading amended by Pub. L. 99-514 without corresponding amendment of analysis.