section (a), and the amendments made by those provisions [enacting this section and sections 6039A and 6698A of this title, redesignating former section 1023 as section 1024 of this title, and amending sections 306, 691, 1001, 1014, 1016, 1223, and 1246 of this title], had not been enacted.''

Pub. L. 96–223, title IV, § 401(e), Apr. 2, 1980, 94 Stat. 301, provided that: ''The amendments made by this section [amending sections 306, 691, 1001, 1014, 1016, 1040, 1223, 1246, and 2614 of this title, repealing former section 1023 and sections 6039A and 6698A of this title, redesignating former section 1024 of this title as 1023, and enacting provisions set out as notes under this section and section 1014 of this title] shall apply in respect of decedents dying after December 31, 1976.''

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by section 1901(a)(127) of Pub. L. 94–455 applicable with respect to taxable years beginning after Dec. 31, 1976, see section 1901(d) of Pub. L. 94–455, set out as a note under section 2 of this title.

REPEALS

Pub. L. 94–455, § 1901(a)(127), cited as a credit to this section, which renumbered this section as section 1024 of this title, was repealed by Pub. L. 96–223, title IV, § 401(a), Apr. 2, 1980, 94 Stat. 299, resulting in the redesignation of this section as section 1023 of this title. See Effective Date of 1980 Amendments and Revival of Prior Law note set out above.

[§ 1024. Renumbered § 1023]

PART III—COMMON NONTAXABLE EXCHANGES

AMENDMENTS

2010—Pub. L. 111–312, title III, § 301(a), Dec. 17, 2010, 124 Stat. 3300, amended analysis to read as if amendment by Pub. L. 107–16, § 542(d)(2), had never been enacted. See 2001 Amendment note below.

2001—Pub. L. 107–16, title V, § 542(d)(2), June 7, 2001, 115 Stat. 84, substituted ''Use of appreciated carryover basis property to satisfy pecuniary bequest'' for ''Transfer of certain farm, etc., real property'' in item 1040.

1997—Pub. L. 105–34, title III, §§ 312(d)(15), 313(b)(3), Aug. 5, 1997, 111 Stat. 841, 842, struck out item 1034 ''Rollover of gain on sale of principal residence'' and added item 1045.

1993—Pub. L. 103–66, title XIII, § 13114(c), Aug. 10, 1993, 107 Stat. 431, added item 1044.

1990—Pub. L. 101–508, title XI, § 11801(b)(8), Nov. 5, 1990, 104 Stat. 1388–522, struck out item 1039 ''Certain sales of low-income housing projects''.

1989—Pub. L. 101–194, title V, § 502(b)(3), Nov. 30, 1989, 103 Stat. 1755, added item 1043.

1986—Pub. L. 99–514, title XVIII, § 1854(a)(12), Oct. 22, 1986, 100 Stat. 2878, substituted ''employee stock ownership plans or certain cooperatives'' for ''employees'' in item 1042.

1984—Pub. L. 98–369, div. A, title IV, § 421(c), title V, § 541(b)(3), July 18, 1984, 98 Stat. 794, 890, added items 1041 and 1042.

1981—Pub. L. 97–34, title IV, § 421(j)(2)(C), Aug. 13, 1981, 95 Stat. 312, substituted ''Transfer of certain farm, etc., real property'' for ''Use of farm, etc., real property to satisfy pecuniary bequest'' in item 1040.

1980—Pub. L. 96–223, title IV, § 401(a), (c)(2)(B), Apr. 2, 1980, 94 Stat. 299, 300, amended item 1040 generally and repealed Pub. L. 94–455, § 2005(e)(1), and the amendment made thereby. See 1976 Amendment note below.

1978—Pub. L. 95–600, title IV, § 405(c)(2), Nov. 6, 1978, 92 Stat. 2871, substituted ''Rollover of gain on sale of principal residence'' for ''Sale or exchange of residence'' in item 1034.

1976—Pub. L. 94–455, title XX, § 2005(e)(2), Oct. 4, 1976, 90 Stat. 1878, which added item 1040, was repealed by Pub. L. 96–223, § 401(a). See section 401(b), (e) of Pub. L. 96–223, set out as an Effective Date of 1980 Amendments and Revival of Prior Law note under section 1023 of this title.

1969—Pub. L. 91–172, title IX, § 910(c), Dec. 30, 1969, 83 Stat. 722, added item 1039.

1964—Pub. L. 88–570, § 2(b), Sept. 2, 1964, 78 Stat. 856, added item 1038.

1959—Pub. L. 86–346, title II, § 201(b), Sept. 22, 1959, 73 Stat. 623, added item 1037.

§ 1031. Exchange of property held for productive use or investment

(a) Nonrecognition of gain or loss from exchanges solely in kind

(1) In general

No gain or loss shall be recognized on the exchange of property held for productive use in a trade or business or for investment if such property is exchanged solely for property of like kind which is to be held either for productive use in a trade or business or for investment.

(2) Exception

This subsection shall not apply to any exchange of—

(A) stock in trade or other property held primarily for sale,

(B) stocks, bonds, or notes,

(C) other securities or evidences of indebtedness or interest,

(D) interests in a partnership,

(E) certificates of trust or beneficial interests, or

(F) choses in action.

For purposes of this section, an interest in a partnership which has in effect a valid election under section 761(a) to be excluded from the application of all of subchapter K shall be treated as an interest in each of the assets of such partnership and not as an interest in a partnership.

(3) Requirement that property be identified and that exchange be completed not more than 180 days after transfer of exchanged property

For purposes of this subsection, any property received by the taxpayer shall be treated as property which is not like-kind property if—