in the meaning of section 1033(a)(2) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954]) after December 31, 1974, unless a condemnation proceeding with respect to such property began before the date of the enactment of this Act [Oct. 4, 1976].''

EFFECTIVE DATE OF 1969 AMENDMENT

Pub. L. 91–172, title IX, § 915(b), Dec. 30, 1969, 83 Stat. 723, as amended by Pub. L. 99–514, § 2, Oct. 22, 1986, 100 Stat. 2095, provided that: ''The amendment made by this section [amending this section] shall apply only if the disposition of the converted property (within the meaning of section 1033(a)(2) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954]) occurs after the date of the enactment of this Act [Dec. 30, 1969].''

EFFECTIVE DATE OF 1964 AMENDMENT

Amendment by Pub. L. 88–272 applicable to dispositions after Dec. 31, 1963, in taxable years ending after such date, see section 206(c) of Pub. L. 88–272, set out as an Effective Date note under section 121 of this title.

EFFECTIVE DATE OF 1958 AMENDMENT

Amendment by Pub. L. 85–866 applicable to taxable years beginning after Dec. 31, 1953, and ending after Aug. 16, 1954, see section 1(c)(1) of Pub. L. 85–866, set out as a note under section 165 of this title.

EFFECTIVE DATE OF 1956 AMENDMENT

Act June 29, 1956, ch. 464, § 5(b), 70 Stat. 407, provided that: ''The amendment made by this section [amending this section] shall apply with respect to taxable years ending after December 31, 1955, but only in the case of sales and exchanges of livestock after December 31, 1955.''

SAVINGS PROVISION

For provisions that nothing in amendment by Pub. L. 101–508 be construed to affect treatment of certain transactions occurring, property acquired, or items of income, loss, deduction, or credit taken into account prior to Nov. 5, 1990, for purposes of determining liability for tax for periods ending after Nov. 5, 1990, see section 11821(b) of Pub. L. 101–508, set out as a note under section 45K of this title.

[§ 1034. Repealed. Pub. L. 105–34, title III, § 312(b), Aug. 5, 1997, 111 Stat. 839]

Section, acts Aug. 16, 1954, ch. 736, 68A Stat. 306; Sept. 2, 1958, Pub. L. 85–866, title I, § 46(b), 72 Stat. 1642; Feb. 26, 1964, Pub. L. 88–272, title II, § 206(b)(4), 78 Stat. 40; Jan. 2, 1975, Pub. L. 93–597, § 6(a), 88 Stat. 1953; Mar. 29, 1975, Pub. L. 94–12, title II, § 207, 89 Stat. 32; Oct. 4, 1976, Pub. L. 94–455, title XIX, §§ 1901(a)(129), 1906(b)(13)(A), 90 Stat. 1785, 1834; May 23, 1977, Pub. L. 95–30, title I, § 102(b)(13), 91 Stat. 138; Nov. 6, 1978, Pub. L. 95–600, title IV, §§ 404(c)(5), 405(a)–(c)(1), 92 Stat. 2870, 2871; Nov. 8, 1978, Pub. L. 95–615, title II, § 206, 92 Stat. 3107; Aug. 13, 1981, Pub. L. 97–34, title I, §§ 112(b)(4), 122(a), (b), 95 Stat. 195, 197; July 18, 1984, Pub. L. 98–369, div. A, title X, § 1053(a), 98 Stat. 1045; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1878(g), 100 Stat. 2904; Nov. 10, 1988, Pub. L. 100–647, title VI, § 6002(a), 102 Stat. 3684, related to rollover of gain on sale of principal residence.

EFFECTIVE DATE OF REPEAL

Repeal applicable to sales and exchanges after May 6, 1997, with certain exceptions, see section 312(d) of Pub. L. 105–34, set out as an Effective Date of 1997 Amendment note under section 121 of this title.

§ 1035. Certain exchanges of insurance policies

(a) General rules

No gain or loss shall be recognized on the exchange of—

(1) a contract of life insurance for another contract of life insurance or for an endowment or annuity contract or for a qualified long-term care insurance contract; or[1]

(2) a contract of endowment insurance (A) for another contract of endowment insurance which provides for regular payments beginning at a date not later than the date payments would have begun under the contract exchanged, or (B) for an annuity contract, or (C) for a qualified long-term care insurance contract;

(3) an annuity contract for an annuity contract or for a qualified long-term care insurance contract; or

(4) a qualified long-term care insurance contract for a qualified long-term care insurance contract.

(b) Definitions

For the purpose of this section—

(1) Endowment contract

A contract of endowment insurance is a contract with an insurance company which depends in part on the life expectancy of the insured, but which may be payable in full in a single payment during his life.

(2) Annuity contract

An annuity contract is a contract to which paragraph (1) applies but which may be payable during the life of the annuitant only in installments. For purposes of the preceding sentence, a contract shall not fail to be treated as an annuity contract solely because a qualified long-term care insurance contract is a part of or a rider on such contract.

(3) Life insurance contract

A contract of life insurance is a contract to which paragraph (1) applies but which is not ordinarily payable in full during the life of the insured. For purposes of the preceding sentence, a contract shall not fail to be treated as a life insurance contract solely because a qualified long-term care insurance contract is a part of or a rider on such contract.

(c) Exchanges involving foreign persons

To the extent provided in regulations, subsection (a) shall not apply to any exchange having the effect of transferring property to any person other than a United States person.

(d) Cross references

(1) For rules relating to recognition of gain or loss where an exchange is not solely in kind, see subsections (b) and (c) of section 1031.

(2) For rules relating to the basis of property acquired in an exchange described in subsection (a), see subsection (d) of section 1031.

(Aug. 16, 1954, ch. 736, 68A Stat. 309; Pub. L. 98–369, div. A, title II, §§ 211(b)(15), 224(a), July 18, 1984, 98 Stat. 756, 776; Pub. L. 99–514, title XVIII, § 1828, Oct. 22, 1986, 100 Stat. 2851; Pub. L. 105–34, title XI, § 1131(b)(1), Aug. 5, 1997, 111 Stat. 979; Pub. L. 109–280, title VIII, § 844(b), Aug. 17, 2006, 120 Stat. 1010.)

CODIFICATION

Another section 1131(b) of Pub. L. 105–34 enacted section 684 of this title.

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[1] So in original. The word ''or'' probably should not appear.