

(Aug. 16, 1954, ch. 736, 68A Stat. 773; Pub. L. 96-589, §6(i)(9), Dec. 24, 1980, 94 Stat. 3411; Pub. L. 97-248, title IV, §402(c)(3), Sept. 3, 1982, 96 Stat. 667.)

#### AMENDMENTS

1982—Par. (4). Pub. L. 97-248 added par. (4).  
1980—Par. (1). Pub. L. 96-589 struck out reference to bankruptcy proceedings.

#### EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-248 applicable to partnership taxable years beginning after Sept. 3, 1982, with provision for the applicability of the amendment to any partnership taxable year ending after Sept. 3, 1982, if the partnership, each partner, and each indirect partner requests such application and the Secretary of the Treasury or his delegate consents to such application, see section 407(a)(1), (3) of Pub. L. 97-248, set out as an Effective Date note under section 6221 of this title.

#### EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-589 effective Oct. 1, 1979, but not applicable to proceedings under Title 11, Bankruptcy, commenced before Oct. 1, 1979, see section 7(e) of Pub. L. 96-589, set out as a note under section 108 of this title.

### Subchapter C—Tax Treatment of Partnership Items

Sec. 6221.	Tax treatment determined at partnership level.
6222.	Partner's return must be consistent with partnership return or Secretary notified of inconsistency.
6223.	Notice to partners of proceedings.
6224.	Participation in administrative proceedings; waivers; agreements.
6225.	Assessments made only after partnership level proceedings are completed.
6226.	Judicial review of final partnership administrative adjustments.
6227.	Administrative adjustment requests.
6228.	Judicial review where administrative adjustment request is not allowed in full.
6229.	Period of limitations for making assessments.
6230.	Additional administrative provisions.
6231.	Definitions and special rules.
[6232.	Repealed.] <sup>1</sup>
6233.	Extension to entities filing partnership returns, etc.
6234.	Declaratory judgment relating to treatment of items other than partnership items with respect to an oversheltered return.

#### REPEAL AND REENACTMENT OF ANALYSIS

*Pub. L. 114-74, title XI, §1101(a), (c)(1), (g), Nov. 2, 2015, 129 Stat. 625, 638, provided that, applicable to returns filed for partnership taxable years beginning after Dec. 31, 2017, with certain exceptions, this analysis is repealed and a new analysis for subchapter C is enacted to read as follows:*

### Subchapter C—Treatment of Partnerships

#### Part

I.	<i>In General.</i>
II.	<i>Partnership Adjustments.</i>
III.	<i>Procedure.</i>
IV.	<i>Definitions and Special Rules.</i>

#### CODIFICATION

New sections 6232 and 6235 were enacted on Nov. 2, 2015, by Pub. L. 114-74 applicable, with certain excep-

tions, to returns filed for partnership taxable years beginning after Dec. 31, 2017. However, because section 6232 had previously been repealed and section 6235 did not exist, the text of those sections as enacted by Pub. L. 114-74 is currently being set out within this subchapter. As a result, the current analysis for subchapter C set out above does not conform with respect to those sections.

#### AMENDMENTS

1997—Pub. L. 105-34, title XII, §1231(c), Aug. 5, 1997, 111 Stat. 1023, added item 6234.

1988—Pub. L. 100-418, title I, §1941(b)(3)(D), Aug. 23, 1988, 102 Stat. 1324, struck out item 6232 "Extension of subchapter to windfall profit tax".

1984—Pub. L. 98-369, div. A, title VII, §714(p)(2)(E), July 18, 1984, 98 Stat. 965, added item 6233.

1982—Pub. L. 97-248, title IV, §402(a), Sept. 3, 1982, 96 Stat. 648, added subchapter C heading and items 6221 to 6232.

### § 6221. Tax treatment determined at partnership level

Except as otherwise provided in this subchapter, the tax treatment of any partnership item (and the applicability of any penalty, addition to tax, or additional amount which relates to an adjustment to a partnership item) shall be determined at the partnership level.

(Added Pub. L. 97-248, title IV, §402(a), Sept. 3, 1982, 96 Stat. 648; amended Pub. L. 105-34, title XII, §1238(a), Aug. 5, 1997, 111 Stat. 1026.)

#### ENACTMENT OF PART AND REPEAL AND REENACTMENT OF SECTION

*Pub. L. 114-74, title XI, §1101(a), (c)(1), (g), Nov. 2, 2015, 129 Stat. 625, 638, provided that, applicable to returns filed for partnership taxable years beginning after Dec. 31, 2017, with certain exceptions, a new Part I heading "In General" and analysis consisting of items 6221 to 6223 are enacted, this section is repealed, and a new section 6221 following the Part I analysis is enacted to read as follows:*

#### § 6221. Determination at partnership level

##### (a) In general

*Any adjustment to items of income, gain, loss, deduction, or credit of a partnership for a partnership taxable year (and any partner's distributive share thereof) shall be determined, any tax attributable thereto shall be assessed and collected, and the applicability of any penalty, addition to tax, or additional amount which relates to an adjustment to any such item or share shall be determined, at the partnership level pursuant to this subchapter.*

##### (b) Election out for certain partnerships with 100 or fewer partners, etc.

###### (1) In general

*This subchapter shall not apply with respect to any partnership for any taxable year if—*

*(A) the partnership elects the application of this subsection for such taxable year,*

*(B) for such taxable year the partnership is required to furnish 100 or fewer statements under section 6031(b) with respect to its partners,*

*(C) each of the partners of such partnership is an individual, a C corporation, any foreign entity that would be treated as a C corporation were it domestic, an S corporation, or an estate of a deceased partner,*

<sup>1</sup> See Codification note below.

(D) the election—

(i) is made with a timely filed return for such taxable year, and

(ii) includes (in the manner prescribed by the Secretary) a disclosure of the name and taxpayer identification number of each partner of such partnership, and

(E) the partnership notifies each such partner of such election in the manner prescribed by the Secretary.

(2) Special rules relating to certain partners

(A) S corporation partners

In the case of a partner that is an S corporation—

(i) the partnership shall only be treated as meeting the requirements of paragraph (1)(C) with respect to such partner if such partnership includes (in the manner prescribed by the Secretary) a disclosure of the name and taxpayer identification number of each person with respect to whom such S corporation is required to furnish a statement under section 6037(b) for the taxable year of the S corporation ending with or within the partnership taxable year for which the application of this subsection is elected, and

(ii) the statements such S corporation is required to so furnish shall be treated as statements furnished by the partnership for purposes of paragraph (1)(B).

(B) Foreign partners

For purposes of paragraph (1)(D)(ii), the Secretary may provide for alternative identification of any foreign partners.

(C) Other partners

The Secretary may by regulation or other guidance prescribe rules similar to the rules of subparagraph (A) with respect to any partners not described in such subparagraph or paragraph (1)(C).

#### AMENDMENTS

1997—Pub. L. 105-34 inserted “(and the applicability of any penalty, addition to tax, or additional amount which relates to an adjustment to a partnership item)” after “item”.

#### EFFECTIVE DATE OF 2015 AMENDMENT

Pub. L. 114-74, title XI, §1101(g), Nov. 2, 2015, 129 Stat. 638, provided that:

“(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section [enacting this subchapter, amending sections 6031, 6330, 6422, 6501, 6503, 6504, 6511, 6512, 6515, 6601, 7421, 7422, 7459, 7482, and 7485 of this title, and repealing this subchapter, subchapter D of this chapter, and part IV of subchapter K of chapter 1 of this title] shall apply to returns filed for partnership taxable years beginning after December 31, 2017.

“(2) ADMINISTRATIVE ADJUSTMENT REQUESTS.—In the case of [an] administrative adjustment request under section 6227 of such Code [Internal Revenue Code of 1986], the amendments made by this section shall apply to requests with respect to returns filed for partnership taxable years beginning after December 31, 2017.

“(3) ADJUSTED PARTNERS STATEMENTS.—In the case of a partnership electing the application of section 6226 of such Code, the amendments made by this section shall apply to elections with respect to returns filed for partnership taxable years beginning after December 31, 2017.

“(4) ELECTION.—A partnership may elect (at such time and in such form and manner as the Secretary of the Treasury may prescribe) for the amendments made by this section (other than the election under section 6221(b) of such Code (as added by this Act)) to apply to any return of the partnership filed for partnership taxable years beginning after the date of the enactment of this Act [Nov. 2, 2015] and before January 1, 2018.”

#### EFFECTIVE DATE OF 1997 AMENDMENT

Pub. L. 105-34, title XII, §1238(c), Aug. 5, 1997, 111 Stat. 1027, provided that: “The amendments made by this section [amending this section and sections 6226 and 6230 of this title] shall apply to partnership taxable years ending after the date of the enactment of this Act [Aug. 5, 1997].”

#### EFFECTIVE DATE

Pub. L. 97-248, title IV, §407(a), Sept. 3, 1982, 96 Stat. 670, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that:

“(1) Except as provided in paragraph (2), the amendments made by sections 402, 403, and 404 [enacting this subchapter and section 1508 of Title 28, Judiciary and Judicial Procedure, amending sections 702, 6031, 6213, 6216, 6422, 6501, 6504, 6511, 6512, 6515, 7422, 7451, 7456, 7459, 7482, and 7485 of this title and section 1346 of Title 28, and enacting provisions set out as a note under section 6031 of this title] shall apply to partnership taxable years beginning after the date of the enactment of this Act [Sept. 3, 1982].

“(2) Section 6232 of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] shall apply to periods after December 31, 1982.

“(3) The amendments made by sections 402, 403, and 404 shall apply to any partnership taxable year (or in the case of section 6232 of such Code, to any period) ending after the date of the enactment of this Act [Sept. 3, 1982] if the partnership, each partner, and each indirect partner requests such application and the Secretary of the Treasury or his delegate consents to such application.”

#### SHORT TITLE

For short title of title IV of Pub. L. 97-248 as the “Tax Treatment of Partnership Items Act of 1982”, see Short Title of 1982 Amendments note set out under section 1 of this title.

### § 6222. Partner’s return must be consistent with partnership return or Secretary notified of inconsistency

(a) In general

A partner shall, on the partner’s return, treat a partnership item in a manner which is consistent with the treatment of such partnership item on the partnership return.

(b) Notification of inconsistent treatment

(1) In general

In the case of any partnership item, if—

(A)(i) the partnership has filed a return but the partner’s treatment on his return is (or may be) inconsistent with the treatment of the item on the partnership return, or

(ii) the partnership has not filed a return, and

(B) the partner files with the Secretary a statement identifying the inconsistency,

subsection (a) shall not apply to such item.

(2) Partner receiving incorrect information

A partner shall be treated as having complied with subparagraph (B) of paragraph (1) with respect to a partnership item if the partner—