

“(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 Repealed.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—

(1) the amount of the credit determined under this subpart for any taxable year shall be apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust allocable to each, and

(2) any beneficiary to whom any amount has been apportioned under paragraph (1) shall be allowed, subject to section 38(c), a credit under section 38(a) for such amount.

**(e) Limitations with respect to certain persons**

Under regulations prescribed by the Secretary, in the case of—

(1) a regulated investment company or a real estate investment trust subject to taxation under subchapter M (section 851 and following), and

(2) a cooperative organization described in section 1381(a),

rules similar to the rules provided in subsections (e) and (h) of section 46 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990) shall apply in determining the amount of the credit under this subpart.

(Added Pub. L. 95-30, title II, § 202(b), May 23, 1977, 91 Stat. 143; amended Pub. L. 95-600, title III, § 321(c)(1), Nov. 6, 1978, 92 Stat. 2835; Pub. L. 96-222, title I, § 103(a)(5), Apr. 1, 1980, 94 Stat. 209; Pub. L. 97-354, § 5(a)(11), Oct. 19, 1982, 96 Stat. 1693; Pub. L. 98-369, div. A, title IV, § 474(p)(4)-(7), July 18, 1984, 98 Stat. 838; Pub. L. 101-508, title XI, § 11813(b)(4), Nov. 5, 1990, 104 Stat. 1388-551; Pub. L. 104-188, title I, § 1616(b)(2), Aug. 20, 1996, 110 Stat. 1856; Pub. L. 105-34, title XVI, § 1601(b), Aug. 5, 1997, 111 Stat. 1087; Pub. L. 112-56, title II, § 261(e)(1), Nov. 21, 2011, 125 Stat. 730.)

**REFERENCES IN TEXT**

The date of the enactment of the Revenue Reconciliation Act of 1990, referred to in subsec. (e), is the date of enactment of Pub. L. 101-508, which was approved Nov. 5, 1990.

**AMENDMENTS**

2011—Subsec. (c). Pub. L. 112-56 designated existing provisions as par. (1), inserted heading, and added par. (2).