

[amending this section] shall apply to taxable years ending after December 31, 1960.”

PLAN AMENDMENTS NOT REQUIRED UNTIL  
JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1800–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of this title.

TRANSITIONAL RULE FOR CERTAIN AMOUNTS

Pub. L. 99–514, title XVIII, §1807(a)(8), Oct. 22, 1986, 100 Stat. 2816, provided that: “For purposes of section 461(h) of the Internal Revenue Code of 1954 [now 1986], economic performance shall be treated as occurring on the date of a payment to an insurance company if—

“(A) such payment was made before November 23, 1985, for indemnification against a tort liability relating to personal injury or death caused by inhalation or ingestion of dust from asbestos-containing insulation products,

“(B) such insurance company is unrelated to taxpayer,

“(C) such payment is not refundable, and

“(D) the taxpayer is not engaged in the mining of asbestos nor is any member of any affiliated group which includes the taxpayer so engaged.”

TRANSITION RULE

Pub. L. 99–514, title XVIII, §1807(c), Oct. 22, 1986, 100 Stat. 2817, provided that: “A taxpayer shall be allowed to use the cash receipts and disbursements method of accounting for taxable years ending after January 1, 1982, if such taxpayer—

“(1) is a partnership which was founded in 1936,

“(2) has over 1,000 professional employees,

“(3) used a long-term contract method of accounting for a substantial part of its income from the performance of architectural and engineering services, and

“(4) is headquartered in Chicago, Illinois.”

ELECTION AS TO TRANSFERS IN TAXABLE YEARS  
BEGINNING BEFORE JAN. 1, 1964

Pub. L. 88–272, title II, §223(c), Feb. 26, 1964, 78 Stat. 76, provided that:

“(1) The amendments made by subsection (a) [amending this section and section 43 of the Internal Revenue Code of 1939] shall not apply to any transfer of money or other property described in subsection (a) made in a taxable year beginning before January 1, 1964, if the taxpayer elects, in the manner provided by regulations prescribed by the Secretary of the Treasury or his delegate, to have this paragraph apply. Such an election—

“(A) must be made within one year after the date of the enactment of this Act [Feb. 26, 1964],

“(B) may not be revoked after the expiration of such one-year period, and

“(C) shall apply to all transfers described in the first sentence of this paragraph (other than transfers described in paragraph (2)).

In the case of any transfer to which this paragraph applies, the deduction shall be allowed only for the taxable year in which the contest with respect to such transfer is settled.

“(2) Paragraph (1) shall not apply to any transfer if the assessment of any deficiency which would result from the application of the election in respect of such transfer is, on the date of the election under paragraph (1), prevented by the operation of any law or rule of law.

“(3) If the taxpayer makes an election under paragraph (1), and if, on the date of such election, the assessment of any deficiency which results from the application of the election in respect of any transfer is

not prevented by the operation of any law or rule of law, the period within which assessment of such deficiency may be made shall not expire earlier than 2 years after the date of the enactment of this Act [Feb. 26, 1964].”

CERTAIN OTHER TRANSFERS IN TAXABLE YEARS  
BEGINNING BEFORE JAN. 1, 1964

Pub. L. 88–272, title II, §223(d), Feb. 26, 1964, 78 Stat. 77, provided that: “The amendments made by subsection (a) [amending this section and section 43 of the Internal Revenue Code of 1939] shall not apply to any transfer of money or other property described in subsection (a) made in a taxable year beginning before January 1, 1964, if—

“(1) no deduction has been allowed in respect of such transfer for any taxable year before the taxable year in which the contest with respect to such transfer is settled, and

“(2) refund or credit of any overpayment which would result from the application of such amendments to such transfer is prevented by the operation of any law or rule of law.

In the case of any transfer to which this subsection applies, the deduction shall be allowed for the taxable year in which the contest with respect to such transfer is settled.”

**[§ 462. Repealed. June 15, 1955, ch. 143, § 1(b), 69 Stat. 134]**

Section, act Aug. 16, 1954, ch. 736 68A Stat. 158, related to reserves for estimated expenses.

EFFECTIVE DATE OF REPEAL

Repeal effective with respect to taxable years beginning after Dec. 31, 1953, and ending after Aug. 16, 1954, see section 3 of Act June 15, 1955, set out as an Effective Date of 1955 Amendment note under section 381 of this title.

SAVINGS PROVISION

For provisions concerning increase in tax in any taxable year ending on or before June 15, 1955 by reason of enactment of act June 15, 1955, see section 4 of act June 15, 1955, set out as a note under section 381 of this title.

**[§ 463. Repealed. Pub. L. 100–203, title X, § 10201(a), Dec. 22, 1987, 101 Stat. 1330–387]**

Section, added Pub. L. 93–625, §4(a), Jan. 3, 1974, 88 Stat. 2109; amended Pub. L. 94–455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 98–369, div. A, title V, §561(a), July 18, 1984, 98 Stat. 901; Pub. L. 99–514, title XI, §1165(a), Oct. 22, 1986, 100 Stat. 2511, related to deduction allowable for accrual basis taxpayers under section 162(a) of this title with respect to vacation pay.

EFFECTIVE DATE OF REPEAL

Repeal applicable to taxable years beginning after Dec. 31, 1987, see section 10201(c)(1) of Pub. L. 100–203, set out as an Effective Date of 1987 Amendment note under section 404 of this title.

CHANGE IN METHOD OF ACCOUNTING REQUIRED BY  
PUB. L. 100–203

Pub. L. 100–203, title X, §10201(c)(2), Dec. 22, 1987, 101 Stat. 1330–388, provided that: “In the case of any taxpayer who elected to have section 463 of the Internal Revenue Code of 1986 apply for such taxpayer’s last taxable year beginning before January 1, 1988, and who is required to change his method of accounting by reason of the amendments made by this section [amending sections 404, 419, and 461 of this title, repealing sections 81 and 463 of this title, and enacting provisions set out as a note under section 404 of this title]—

“(A) such change shall be treated as initiated by the taxpayer,