

July 1, 1980)" for "with respect to which an occupational tax is imposed by section 4461" and "(as so in effect), or" for "if an occupational tax is imposed with respect to such device by section 4461, or".

1976—Par. (3). Pub. L. 94-455, among other changes, substituted in heading "State-conducted lotteries, etc." for "State-conducted sweepstakes.", and struck out provision that no tax be imposed on any wager placed in a sweepstakes, wagering pool, or lottery in which the ultimate winners are determined by the results of a horse race.

1965—Par. (2). Pub. L. 89-44, § 405(a), substituted "section 4462(a)(2)," for "section 4462(a)(2)(B)."

Par. (3). Pub. L. 89-44, § 813(a), added par. (3).

1958—Par. (2). Pub. L. 85-859 inserted provisions exempting from the tax amounts paid to operate a device described in section 4462(a)(2)(B), if an occupational tax is imposed with respect to such device by section 4461 of this title.

EFFECTIVE DATE OF 1978 AMENDMENT

Pub. L. 95-600, title V, § 521(d)(2), Nov. 6, 1978, 92 Stat. 2885, provided that: "The amendments made by subsections (b) [repealing sections 4461 to 4464 of this title] and (c) [amending this section and section 4901 of this title] shall apply with respect to years beginning after June 30, 1980."

EFFECTIVE DATE OF 1976 AMENDMENT

Pub. L. 94-455, title XII, § 1208(c)(1), Oct. 4, 1976, 90 Stat. 1709, provided that: "The amendment made by subsection (a) [amending this section] shall apply with respect to wagers placed after March 10, 1964".

EFFECTIVE DATE OF 1965 AMENDMENT

Pub. L. 89-44, title VII, § 701(c)(2), June 21, 1965, 79 Stat. 157, provided in part that: "The amendments made by sections 403 [amending sections 4461 and 4462 of this title] (relating to occupational tax on coin-operated devices) and 404 [repealing sections 4471 to 4474] (relating to occupational tax on bowling alleys, billiard and pool tables), and by subsections (a) [amending this section], (b) [amending section 4901 of this title] and (d) [amending section 4914 of this title] of section 405 (relating to technical and conforming changes) shall apply on and after July 1, 1965."

Pub. L. 89-44, title VIII, § 813(b), June 21, 1965, 79 Stat. 170, provided that: "The amendment made by subsection (a) [amending this section] shall apply with respect to wagers placed after March 10, 1964."

EFFECTIVE DATE OF 1958 AMENDMENT

Pub. L. 85-859, title I, § 152(c), Sept. 2, 1958, 72 Stat. 1305, as amended by Pub. L. 99-514, § 2, Oct. 22, 1986, 100 Stat. 2095, provided that: "The amendments made by subsections (a) and (b) [amending this section and section 4462 of this title] shall take effect on the effective date specified in section 1(c) of this Act [the first day of the first calendar quarter beginning more than 60 days after Sept. 2, 1958]. In the case of the year beginning July 1, 1958, where the trade or business on which the tax is imposed under section 4461 of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] was commenced before such effective date, the tax imposed for such year solely by reason of the amendment made by subsection (a)—

"(1) shall be the amount reckoned proportionately from such effective date through June 30, 1959, and

"(2) shall be due on, and payable on or before, the last day of the month the first day of which is such effective date."

§ 4403. Record requirements

Each person liable for tax under this subchapter shall keep a daily record showing the gross amount of all wagers on which he is so liable, in addition to all other records required pursuant to section 6001(a).

(Aug. 16, 1954, ch. 736, 68A Stat. 525.)

§ 4404. Territorial extent

The tax imposed by this subchapter shall apply only to wagers

- (1) accepted in the United States, or
- (2) placed by a person who is in the United States

(A) with a person who is a citizen or resident of the United States, or

(B) in a wagering pool or lottery conducted by a person who is a citizen or resident of the United States.

(Aug. 16, 1954, ch. 736, 68A Stat. 525.)

§ 4405. Cross references

For penalties and other administrative provisions applicable to this subchapter, see sections 4421 to 4423, inclusive; and subtitle F.

(Aug. 16, 1954, ch. 736, 68A Stat. 526.)

Subchapter B—Occupational Tax

Sec.

4411.	Imposition of tax.
4412.	Registration.
4413.	Certain provisions made applicable.
4414.	Cross references.

§ 4411. Imposition of tax

(a) In general

There shall be imposed a special tax of \$500 per year to be paid by each person who is liable for the tax imposed under section 4401 or who is engaged in receiving wagers for or on behalf of any person so liable.

(b) Authorized persons

Subsection (a) shall be applied by substituting "\$50" for "\$500" in the case of—

(1) any person whose liability for tax under section 4401 is determined only under paragraph (1) of section 4401(a), and

(2) any person who is engaged in receiving wagers only for or on behalf of persons described in paragraph (1).

(Aug. 16, 1954, ch. 736, 68A Stat. 527; Pub. L. 93-499, § 3(b), Oct. 29, 1974, 88 Stat. 1550; Pub. L. 97-362, title I, § 109(b), Oct. 25, 1982, 96 Stat. 1731.)

CONSTITUTIONALITY

For information regarding constitutionality of section 4411 of act Aug. 16, 1954, see Congressional Research Service, *The Constitution of the United States of America: Analysis and Interpretation*, Appendix 1, *Acts of Congress Held Unconstitutional in Whole or in Part by the Supreme Court of the United States*.

AMENDMENTS

1982—Pub. L. 97-362 designated existing provisions as subsec. (a), in subsec. (a), as so designated, substituted "liable for the tax imposed" for "liable for tax", and added subsec. (b).

1974—Pub. L. 93-499 substituted "\$500" for "\$50".

EFFECTIVE DATE OF 1982 AMENDMENT

Pub. L. 97-362, title I, § 109(c)(2), Oct. 25, 1982, 96 Stat. 1731, provided that: "The amendment made by subsection (b) [amending this section] shall take effect on July 1, 1983."

EFFECTIVE DATE OF 1974 AMENDMENT

Amendment by Pub. L. 93-499 effective Dec. 1, 1974, and applicable only with respect to wagers placed on or

after such date, see section 3(d)(1) of Pub. L. 93-499, set out as a note under section 4401 of this title.

PERSONS ENGAGED IN ACTIVITIES ON DECEMBER 1, 1974, REQUIRING PAYMENT OF TAX; PERSONS PAYING TAX AND REGISTERING BEFORE DECEMBER 1, 1974

Pub. L. 93-499, §3(d)(2), Oct. 29, 1974, 88 Stat. 1551, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that:

“(A) Any person who, on December 1, 1974, is engaged in an activity which makes him liable for payment of the tax imposed by section 4411 of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] (as in effect on such date) shall be treated as commencing such activity on such date for purposes of such section and section 4901 of such Code.

“(B) Any person who, before December 1, 1974.—

“(i) became liable for and paid the tax imposed by section 4411 of the Internal Revenue Code of 1986 (as in effect on July 1, 1974) for the year ending June 30, 1975, shall not be liable for any additional tax under such section for such year, and

“(ii) registered under section 4412 of such Code (as in effect on July 1, 1974) for the year ending June 30, 1975, shall not be required to reregister under such section for such year.”

§ 4412. Registration

(a) Requirement

Each person required to pay a special tax under this subchapter shall register with the official in charge of the internal revenue district—

(1) his name and place of residence;

(2) if he is liable for tax under subchapter A, each place of business where the activity which makes him so liable is carried on, and the name and place of residence of each person who is engaged in receiving wagers for him or on his behalf; and

(3) if he is engaged in receiving wagers for or on behalf of any person liable for tax under subchapter A, the name and place of residence of each such person.

(b) Firm or company

Where subsection (a) requires the name and place of residence of a firm or company to be registered, the names and places of residence of the several persons constituting the firm or company shall be registered.

(c) Supplemental information

In accordance with regulations prescribed by the Secretary, the Secretary may require from time to time such supplemental information from any person required to register under this section as may be needful to the enforcement of this chapter.

(Aug. 16, 1954, ch. 736, 68A Stat. 527; Pub. L. 94-455, title XIX, §1906(b)(13)(I), Oct. 4, 1976, 90 Stat. 1835.)

CONSTITUTIONALITY

For information regarding constitutionality of section 4412 of act Aug. 16, 1954, see Congressional Research Service, *The Constitution of the United States of America: Analysis and Interpretation*, Appendix 1, Acts of Congress Held Unconstitutional in Whole or in Part by the Supreme Court of the United States.

AMENDMENTS

1976—Subsec. (c). Pub. L. 94-455 substituted “the Secretary may” for “he or his delegate may”.

PERSONS PAYING TAX AND REGISTERING BEFORE DECEMBER 1, 1974

Persons registered before Dec. 1, 1974 under this section (as in effect on July 1, 1974) for the year ending June 30, 1975, not required to reregister under this section for such year, see section 3(d)(2) of Pub. L. 93-499, set out as a note under section 4411 of this title.

§ 4413. Certain provisions made applicable

Sections 4901, 4902, 4904, 4905, and 4906 shall extend to and apply to the special tax imposed by this subchapter and to the persons upon whom it is imposed, and for that purpose any activity which makes a person liable for special tax under this subchapter shall be considered to be a business or occupation referred to in such sections. No other provision of sections 4901 to 4907, inclusive, shall so extend or apply.

(Aug. 16, 1954, ch. 736, 68A Stat. 527.)

§ 4414. Cross references

For penalties and other general and administrative provisions applicable to this subchapter, see sections 4421 to 4423, inclusive; and subtitle F.

(Aug. 16, 1954, ch. 736, 68A Stat. 527.)

Subchapter C—Miscellaneous Provisions

Sec.	Definitions.
4421.	Definitions.
4422.	Applicability of Federal and State laws.
4423.	Inspection of books.
4424.	Disclosure of wagering tax information.

AMENDMENTS

1974—Pub. L. 93-499, §3(c)(2), Oct. 29, 1974, 88 Stat. 1551, added item 4424.

§ 4421. Definitions

For purposes of this chapter—

(1) Wager

The term “wager” means—

(A) any wager with respect to a sports event or a contest placed with a person engaged in the business of accepting such wagers,

(B) any wager placed in a wagering pool with respect to a sports event or a contest, if such pool is conducted for profit, and

(C) any wager placed in a lottery conducted for profit.

(2) Lottery

The term “lottery” includes the numbers game, policy, and similar types of wagering. The term does not include—

(A) any game of a type in which usually

(i) the wagers are placed,

(ii) the winners are determined, and

(iii) the distribution of prizes or other property is made, in the presence of all persons placing wagers in such game, and

(B) any drawing conducted by an organization exempt from tax under sections 501 and 521, if no part of the net proceeds derived from such drawing inures to the benefit of any private shareholder or individual.

(Aug. 16, 1954, ch. 736, 68A Stat. 528.)

§ 4422. Applicability of Federal and State laws

The payment of any tax imposed by this chapter with respect to any activity shall not ex-