

ning services are made, then to the extent that such tax is not collected, such tax shall be paid by the person who performs the service.

(Added Pub. L. 111-148, title X, § 10907(b), Mar. 23, 2010, 124 Stat. 1020.)

PRIOR PROVISIONS

A prior section 5000B, added Pub. L. 111-148, title IX, § 9017(a), Mar. 23, 2010, 124 Stat. 872, which related to tax on elective cosmetic medical procedures, and section 9017(c) of Pub. L. 111-148, which provided that the amendments made by section 9017 of Pub. L. 111-148 were applicable to procedures performed on or after Jan. 1, 2010, were not set out in the Code in view of Pub. L. 111-148, title X, § 10907(a), Mar. 23, 2010, 124 Stat. 1020, which provided that the provisions of, and amendments made by, section 9017 of Pub. L. 111-148 were deemed null, void, and of no effect.

EFFECTIVE DATE

Pub. L. 111-148, title X, § 10907(d), Mar. 23, 2010, 124 Stat. 1021, provided that: "The amendments made by this section [enacting this section] shall apply to services performed on or after July 1, 2010."

CHAPTER 50—FOREIGN PROCUREMENT

Sec. 5000C. Imposition of tax on certain foreign procurement.

§ 5000C. Imposition of tax on certain foreign procurement

(a) Imposition of tax

There is hereby imposed on any foreign person that receives a specified Federal procurement payment a tax equal to 2 percent of the amount of such specified Federal procurement payment.

(b) Specified Federal procurement payment

For purposes of this section, the term "specified Federal procurement payment" means any payment made pursuant to a contract with the Government of the United States for—

- (1) the provision of goods, if such goods are manufactured or produced in any country which is not a party to an international procurement agreement with the United States, or
(2) the provision of services, if such services are provided in any country which is not a party to an international procurement agreement with the United States.

(c) Foreign person

For purposes of this section, the term "foreign person" means any person other than a United States person.

(d) Administrative provisions

(1) Withholding

The amount deducted and withheld under chapter 3 shall be increased by the amount of tax imposed by this section on such payment.

(2) Other administrative provisions

For purposes of subtitle F, any tax imposed by this section shall be treated as a tax imposed by subtitle A.

(Added Pub. L. 111-347, title III, § 301(a)(1), Jan. 2, 2011, 124 Stat. 3666.)

EFFECTIVE DATE

Pub. L. 111-347, title III, § 301(a)(3), Jan. 2, 2011, 124 Stat. 3666, provided that: "The amendments made by

this subsection [enacting this section] shall apply to payments received pursuant to contracts entered into on and after the date of the enactment of this Act [Jan. 2, 2011]."

PROHIBITION ON REIMBURSEMENT OF FEES

Pub. L. 111-347, title III, § 301(b), Jan. 2, 2011, 124 Stat. 3666, provided that:

"(1) IN GENERAL.—The head of each executive agency shall take any and all measures necessary to ensure that no funds are disbursed to any foreign contractor in order to reimburse the tax imposed under section 5000C of the Internal Revenue Code of 1986.

"(2) ANNUAL REVIEW.—The Administrator for Federal Procurement Policy shall annually review the contracting activities of each executive agency to monitor compliance with the requirements of paragraph (1).

"(3) EXECUTIVE AGENCY.—For purposes of this subsection, the term 'executive agency' has the meaning given the term in section 4 of the Office of Federal Procurement Policy Act ([former] 41 U.S.C. 403) [see 41 U.S.C. 133]."

APPLICATION

Pub. L. 111-347, title III, § 301(c), Jan. 2, 2011, 124 Stat. 3666, provided that: "This section [enacting this section and provisions set out as notes under this section] and the amendments made by this section shall be applied in a manner consistent with United States obligations under international agreements."

Subtitle E—Alcohol, Tobacco, and Certain Other Excise Taxes

Chapter Sec.1
51. Distilled spirits, wines, and beer 5001
52. Tobacco products and cigarette papers and tubes 5701
53. Machine guns and certain other firearms2 5801
54. Greenmail 5881
55. Structured settlement factoring transactions 5891

AMENDMENTS

- 2002—Pub. L. 107-134, title I, § 115(b), Jan. 23, 2002, 115 Stat. 2438, added item relating to chapter 55.
1997—Pub. L. 105-33, title IX, § 9302(g)(3)(D), Aug. 5, 1997, 111 Stat. 673, added item relating to chapter 52 and struck out former item relating to chapter 52 "Cigars, cigarettes, smokeless tobacco, pipe tobacco, and cigarette papers and tubes".
1988—Pub. L. 100-647, title V, § 5061(c)(4), Nov. 10, 1988, 102 Stat. 3680, substituted "Cigars, cigarettes, smokeless tobacco, pipe tobacco, and cigarette papers and tubes" for "Tobacco, cigars, cigarettes, smokeless tobacco, and cigarette papers and tubes" in item relating to chapter 52.
Pub. L. 100-647, title I, § 1018(u)(16), Nov. 10, 1988, 102 Stat. 3590, inserted "smokeless tobacco," after "cigarettes," in item relating to chapter 52.
1987—Pub. L. 100-203, title X, § 10228(c), Dec. 22, 1987, 101 Stat. 1330-418, added item relating to chapter 54.

CHAPTER 51—DISTILLED SPIRITS, WINES, AND BEER

Subchapter Sec.1
A. Gallonage and occupational taxes 5001
B. Qualification requirements for distilled spirits plants 5171
C. Operation of distilled spirits plants 5201
D. Industrial use of distilled spirits 5271

1 Section numbers editorially supplied.

2 Chapter heading amended by Pub. L. 90-618 without corresponding amendment of analysis.

1 Section numbers editorially supplied.