

(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 Repealed.]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to returns filed for partnership taxable years beginning after Dec. 31, 2017, with certain exceptions, this analysis is repealed and a new analysis for subchapter C is enacted to read as follows:*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. In General.
- II. Partnership Adjustments.
- III. Procedure.
- IV. Definitions and Special Rules.

CODIFICATION

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

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

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,*