

“(A) IN GENERAL.—If this paragraph applies to any amendment to any plan or annuity contract, such plan or contract shall be treated as being operated in accordance with the terms of the plan during the period described in subparagraph (B)(ii).

“(B) AMENDMENTS TO WHICH PARAGRAPH APPLIES.—

“(i) IN GENERAL.—This paragraph shall apply to any amendment to any plan or annuity contract which is made—

“(I) pursuant to the amendments made by this subsection [amending this section and section 1056 of Title 29, Labor], or pursuant to any regulation issued by the Secretary of the Treasury or the Secretary of Labor under any provision as so amended, and

“(II) on or before the last day of the first plan year beginning on or after January 1, 2016, or such later date as the Secretary of the Treasury may prescribe.

“(ii) CONDITIONS.—This subsection [amending this section and section 1056 of Title 29, Labor, and enacting provisions set out as a note under this section] shall not apply to any amendment unless, during the period—

“(I) beginning on the date that the amendments made by this subsection or the regulation described in clause (i)(I) takes effect (or in the case of a plan or contract amendment not required by such amendments or such regulation, the effective date specified by the plan), and

“(II) ending on the date described in clause (i)(II) (or, if earlier, the date the plan or contract amendment is adopted),

the plan or contract is operated as if such plan or contract amendment were in effect, and such plan or contract amendment applies retroactively for such period.

“(C) ANTI-CUTBACK RELIEF.—A plan shall not be treated as failing to meet the requirements of section 204(g) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054(g)) and section 411(d)(6) of the Internal Revenue Code of 1986 [26 U.S.C. 411(d)(6)] solely by reason of a plan amendment to which this paragraph applies.”

TEMPORARY MODIFICATION OF APPLICATION OF LIMITATION ON BENEFIT ACCRUALS

Pub. L. 111-192, title II, §203(b), June 25, 2010, 124 Stat. 1300, provided that: “Section 203 of the Worker, Retiree, and Employer Recovery Act of 2008 [Pub. L. 110-458, set out below] shall apply to a plan for any plan year in lieu of the amendments made by this section applying to sections 206(g)(4) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1056(g)(4)] and 436(e) of the Internal Revenue Code of 1986 only to the extent that such section produces a higher adjusted funding target attainment percentage for such plan for such year.”

Pub. L. 110-458, title II, §203, Dec. 23, 2008, 122 Stat. 5118, provided that: “In the case of the first plan year beginning during the period beginning on October 1, 2008, and ending on September 30, 2009, sections 206(g)(4)(A) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1056(g)(4)(A)) and 436(e)(1) of the Internal Revenue Code of 1986 shall be applied by substituting the plan’s adjusted funding target attainment percentage for the preceding plan year for such percentage for such plan year but only if the adjusted funding target attainment percentage for the preceding plan year is greater.”

APPLICABILITY OF AMENDMENTS BY SUBTITLES A AND B OF TITLE I OF PUB. L. 109-280

For special rules on applicability of amendments by subtitles A (§§101-108) and B (§§111-116) of title I of Pub. L. 109-280 to certain eligible cooperative plans, PBGC settlement plans, and eligible government contractor plans, see sections 104, 105, and 106 of Pub. L. 109-280, set out as notes under section 401 of this title.

Subchapter E—Accounting Periods and Methods of Accounting

- Part I. Accounting periods.
- II. Methods of accounting.
- III. Adjustments.

PART I—ACCOUNTING PERIODS

- Sec. 441. Period for computation of taxable income.
- 442. Change of annual accounting period.
- 443. Returns for a period of less than 12 months.
- 444. Election of taxable year other than required taxable year.

AMENDMENTS

1987—Pub. L. 100-203, title X, §10206(a)(2), Dec. 22, 1987, 101 Stat. 1330-398, added item 444.

§ 441. Period for computation of taxable income

(a) Computation of taxable income

Taxable income shall be computed on the basis of the taxpayer’s taxable year.

(b) Taxable year

For purposes of this subtitle, the term “taxable year” means—

- (1) the taxpayer’s annual accounting period, if it is a calendar year or a fiscal year;
- (2) the calendar year, if subsection (g) applies;
- (3) the period for which the return is made, if a return is made for a period of less than 12 months; or
- (4) in the case of a DISC filing a return for a period of at least 12 months, the period determined under subsection (h).

(c) Annual accounting period

For purposes of this subtitle, the term “annual accounting period” means the annual period on the basis of which the taxpayer regularly computes his income in keeping his books.

(d) Calendar year

For purposes of this subtitle, the term “calendar year” means a period of 12 months ending on December 31.

(e) Fiscal year

For purposes of this subtitle, the term “fiscal year” means a period of 12 months ending on the last day of any month other than December. In the case of any taxpayer who has made the election provided by subsection (f) the term means the annual period (varying from 52 to 53 weeks) so elected.

(f) Election of year consisting of 52-53 weeks

(1) General rule

A taxpayer who, in keeping his books, regularly computes his income on the basis of an annual period which varies from 52 to 53 weeks and ends always on the same day of the week and ends always—

- (A) on whatever date such same day of the week last occurs in a calendar month, or
- (B) on whatever date such same day of the week falls which is nearest to the last day of a calendar month,

may (in accordance with the regulations prescribed under paragraph (3)) elect to compute