the homeowners association taxable income by the highest rate of tax specified in section 11(b)'' for ''Such tax shall consist of a normal tax and a surtax computed as provided in section 11 as though the homeowners association were a corporation and as though the homeowners association taxable income were the taxable income referred to in section 11'' and struck out provision that for purposes of this subsection, the surtax exemption provided by section 11(d) not be allowed.

Subsec. (b)(2)(B). Pub. L. 95–600, § 403(c)(2), substituted provision related to amount being determined according to section 1201(a) for provision requiring an amount of 30 percent.

Subsec. (c)(2). Pub. L. 95–600, § 701(n)(1), substituted ''by individuals for residences'' for ''as residences''.

EFFECTIVE DATE OF 1997 AMENDMENT

Pub. L. 105–34, title IX, § 966(e), Aug. 5, 1997, 111 Stat. 895, provided that: ''The amendments made by this section [amending this section] shall apply to taxable years beginning after December 31, 1996.''

EFFECTIVE DATE OF 1980 AMENDMENT

Pub. L. 96–605, title I, § 105(b), Dec. 28, 1980, 94 Stat. 3523, provided that: ''The amendment made by subsection (a) [amending this section] shall apply to taxable years beginning after December 31, 1980.''

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by section 301(b)(7) of Pub. L. 95–600 applicable to taxable years beginning after Dec. 31, 1978, see section 301(c) of Pub. L. 95–600, set out as a note under section 11 of this title.

Pub. L. 95–600, title IV, § 403(d)(3), Nov. 6, 1978, 92 Stat. 2869, provided that: ''The amendments made by paragraphs (2), (3), and (4) of subsection (c) [amending this section and sections 857 and 904 of this title] shall take effect on the date of the enactment of this Act [Nov. 6, 1978].''

Pub. L. 95–600, title VII, § 701(n)(2), Nov. 6, 1978, 92 Stat. 2907, provided that: ''The amendment made by paragraph (1) [amending this section] shall apply to taxable years beginning after December 31, 1973.''

EFFECTIVE DATE

Pub. L. 94–455, title XXI, § 2101(e), Oct. 4, 1976, 90 Stat. 1899, provided that: ''Except as provided in subsection (f)(2) [set out as a note under section 216 of this title], the amendments made by this section [enacting this section and amending sections 216 and 6012 of this title] shall apply to taxable years beginning after December 31, 1973.''

PART VIII—CERTAIN SAVINGS ENTITIES

Sec.
529. Qualified tuition programs.
529A. Qualified ABLE programs.
530. Coverdell education savings accounts.

AMENDMENTS

2014—Pub. L. 113–295, div. B, title I, § 102(e)(4), (6), Dec. 19, 2014, 128 Stat. 4062, substituted ''CERTAIN'' for ''HIGHER EDUCATION'' in heading and added item 529A.

2004—Pub. L. 108–311, title IV, § 408(b)(2), Oct. 4, 2004, 118 Stat. 1192, amended directory language of Pub. L. 107–22, § 1(a)(6). See 2001 Amendment note below.

2001—Pub. L. 107–22, § 1(a)(6), July 26, 2001, 115 Stat. 196, as amended by Pub. L. 108–311, title IV, § 408(b)(2), Oct. 4, 2004, 118 Stat. 1192, substituted ''Coverdell education savings accounts'' for ''Education individual retirement accounts'' in item 530.

Pub. L. 107–16, title IV, § 402(a)(4)(E), June 7, 2001, 115 Stat. 61, struck out ''State'' before ''tuition'' in item 529.

1997—Pub. L. 105–34, title II, §§ 211(e)(1)(A), 213(e)(3), Aug. 5, 1997, 111 Stat. 812, 817, substituted ''HIGHER EDUCATION SAVINGS ENTITIES'' for ''QUALIFIED STATE TUITION PROGRAMS'' in heading and added item 530.

§ 529. Qualified tuition programs

(a) General rule

A qualified tuition program shall be exempt from taxation under this subtitle. Notwithstanding the preceding sentence, such program shall be subject to the taxes imposed by section 511 (relating to imposition of tax on unrelated business income of charitable organizations).

(b) Qualified tuition program

For purposes of this section—

(1) In general

The term ''qualified tuition program'' means a program established and maintained by a State or agency or instrumentality thereof or by 1 or more eligible educational institutions—

(A) under which a person—

(i) may purchase tuition credits or certificates on behalf of a designated beneficiary which entitle the beneficiary to the waiver or payment of qualified higher education expenses of the beneficiary, or

(ii) in the case of a program established and maintained by a State or agency or instrumentality thereof, may make contributions to an account which is established for the purpose of meeting the qualified higher education expenses of the designated beneficiary of the account, and

(B) which meets the other requirements of this subsection.

Except to the extent provided in regulations, a program established and maintained by 1 or more eligible educational institutions shall not be treated as a qualified tuition program unless such program provides that amounts are held in a qualified trust and such program has received a ruling or determination that such program meets the applicable requirements for a qualified tuition program. For purposes of the preceding sentence, the term ''qualified trust'' means a trust which is created or organized in the United States for the exclusive benefit of designated beneficiaries and with respect to which the requirements of paragraphs (2) and (5) of section 408(a) are met.

(2) Cash contributions

A program shall not be treated as a qualified tuition program unless it provides that purchases or contributions may only be made in cash.

(3) Separate accounting

A program shall not be treated as a qualified tuition program unless it provides separate accounting for each designated beneficiary.

(4) Limited investment direction

A program shall not be treated as a qualified tuition program unless it provides that any contributor to, or designated beneficiary under, such program may, directly or indirectly, direct the investment of any contributions to the program (or any earnings thereon) no more than 2 times in any calendar year.