Stat. 1877; Pub. L. 105-206, title VI, §6023(11), July 22, 1998, 112 Stat. 825; Pub. L. 106–170, title V, §532(c)(2)(S), Dec. 17, 1999, 113 Stat. 1931.)

AMENDMENTS

1999—Subsec. (b)(3)(E)(i). Pub. L. 106-170 substituted "1221(a)(1)" for "1221(1)".

1998—Subsec. (a)(2). Pub. L. 105–206 substituted "(b)(2)(E)" for "(b)(2)(D)".

"(b)(2)(E)" for "(b)(2)(D)". 1996—Subsec. (b)(4)(A). Pub. L. 104-188 substituted "subsection (b)(2)(E)" for "subsection (b)(2)(D)". 1993—Subsec. (a)(2). Pub. L. 103-66, $\S13150$ (c)(6), substituted ", (b)(5), or (c)(1)" for "or (b)(5)".

Subsec. (b)(3)(A). Pub. L. 103-66, §13150(c)(7), inserted

"or (c)(1)" after "subsection (b)(5)".
Subsec. (b)(3)(F). Pub. L. 103-66, §13150(c)(8), added subpar. (F).

subpar. (F).

1990—Subsec. (b)(4)(C). Pub. L. 101–508 substituted "subparagraphs" for "subparagraph".

1988—Subsec. (b)(4). Pub. L. 100–647 substituted "Special rules for" for "Ordering rule in the case of" in heading, and amended text generally. Prior to amendment, text read as follows: "Any amount which is excluded from gross income under section 108(a) by reason of the discharge of qualified farm indebtedness (within the meaning of section 108(g)(2)) and which under subsection (b) of section 108 is to be applied to reduce basis shall be applied-

"(A) first to reduce the tax attributes described in section 108(b)(2) (other than subparagraph (D) there-

of),
"(B) then to reduce basis of property other than

property described in subparagraph (C), and "(C) then to reduce the basis of land used or held

for use in the trade or business of farming." 1986—Subsec. (a)(2). Pub. L. 99–514, 822(b)(4), substituted "or (b)(5)" for ", (b)(5), or (c)(1)(A)".

Subsec. (b)(3)(A). Pub. L. 99-514, §822(b)(5), struck out "or (c)(1)(A)" after "subsection (b)(5)".

Subsec. (b)(4). Pub. L. 99-514, §405(b), added par. (4). 1980—Pub. L. 96-589 generally revised and expanded the section to specify the amount of reduction of basis of property under different subsections of section 108 of this title and the property to which such reduction is applicable, and provided for recapture of reductions for

purposes of gains from depreciable property. 1976—Pub. L. 94-455, \$\$1906(b)(13)(A), 1951(c)(1), substituted "section 108" for "section 108(a)" in three places and struck out "or his delegate" after "Secretary".

EFFECTIVE DATE OF 1999 AMENDMENT

Amendment by Pub. L. 106-170 applicable to any instrument held, acquired, or entered into, any transaction entered into, and supplies held or acquired on or after Dec. 17, 1999, see section 532(d) of Pub. L. 106-170. set out as a note under section 170 of this title.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104-188 effective as if included in the provision of the Revenue Reconciliation Act of 1993, Pub. L. 103-66, §§ 13001-13444, to which such amendment relates, see section 1703(o) of Pub. L. 104-188, set out as a note under section 39 of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-66 applicable to discharges after Dec. 31, 1992, in taxable years ending after such date, see section 13150(d) of Pub. L. 103-66, set out as a note under section 108 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-647 effective, except as otherwise provided, as if included in the provision of the Tax Reform Act of 1986, Pub. L. 99-514, to which such amendment relates, see section 1019(a) of Pub. L. 100-647, set out as a note under section 1 of this title.

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by section 405(b) of Pub. L. 99-514 applicable to discharges of indebtedness occurring after Apr. 9, 1986, in taxable years ending after such date, see section 405(c) of Pub. L. 99-514, set out as a note under section 108 of this title.

Amendment by section 822(b)(4), (5) of Pub. L. 99-514 applicable to discharges after Dec. 31, 1986, see section 822(c) of Pub. L. 99-514, set out as a note under section 108 of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-589 applicable to transactions which occur after Dec. 31, 1980, other than transactions which occur in a proceeding in a bankruptcy case or similar judicial proceeding or in a proceeding under Title 11 commencing on or after Dec. 31, 1980, with an exception permitting the debtor to make the amendment applicable to transactions occurring after Sept. 30, 1979 in a specified manner, see section 7(a) and (f) of Pub. L. 96-589, set out as a note under section 108 of this title.

[§ 1018. Repealed. Pub. L. 96-589, § 6(h)(1), Dec. 24, 1980, 94 Stat. 3410]

Section, acts Aug. 16, 1954, ch. 736, 68A Stat. 301; Oct. 4, 1976, Pub. L. 94-455, title XIX, §1901(a)(124), 90 Stat. 1784, provided for adjustment of capital structure before Sept. 22, 1938.

EFFECTIVE DATE OF REPEAL

Repeal effective Oct. 1, 1979, but not to apply to proceedings under Title 11, Bankruptcy, commenced before Oct. 1, 1979, see section 7(e) of Pub. L. 96–589, set out as an Effective Date of 1980 Amendment note under section 108 of this title.

§ 1019. Property on which lessee has made improvements

Neither the basis nor the adjusted basis of any portion of real property shall, in the case of the lessor of such property, be increased or diminished on account of income derived by the lessor in respect of such property and excludable from gross income under section 109 (relating to improvements by lessee on lessor's property).

(Aug. 16, 1954, ch. 736, 68A Stat. 301; Pub. L. 113-295, div. A, title II, §221(a)(76), Dec. 19, 2014, 128 Stat. 4049.)

AMENDMENTS

2014—Pub. L. 113-295 struck out last sentence which read as follows: "If an amount representing any part of the value of real property attributable to buildings erected or other improvements made by a lessee in respect of such property was included in gross income of the lessor for any taxable year beginning before January 1, 1942, the basis of each portion of such property shall be properly adjusted for the amount so included in gross income.

EFFECTIVE DATE OF 2014 AMENDMENT

Amendment by Pub. L. 113-295 effective Dec. 19, 2014, subject to a savings provision, see section 221(b) of Pub. L. 113-295, set out as a note under section 1 of this title.

[§ 1020. Repealed. Pub. L. 94-455, title XIX, § 1901(a)(125), Oct. 4, 1976, 90 Stat. 1784]

Section, act Aug. 16, 1954, ch. 736, 68A Stat. 302, related to election to have section 1016(a)(2)(B) of this title apply in respect of periods since Feb. 28, 1913, and before Jan. 1, 1952.

§ 1021. Sale of annuities

In case of the sale of an annuity contract, the adjusted basis shall in no case be less than zero.

(Aug. 16, 1954, ch. 736, 68A Stat. 302.)