

§ 4263. Special rules**(a) Payments made outside the United States for prepaid orders**

If the payment upon which tax is imposed by section 4261 is made outside the United States for a prepaid order, exchange order, or similar order, the person furnishing the initial transportation pursuant to such order shall collect the amount of the tax.

(b) Tax deducted upon refunds

Every person who refunds any amount with respect to a ticket or order which was purchased without payment of the tax imposed by section 4261 shall deduct from the amount refundable, to the extent available, any tax due under such section as a result of the use of a portion of the transportation purchased in connection with such ticket or order, and shall report to the Secretary the amount of any such tax remaining uncollected.

(c) Payment of tax

Where any tax imposed by section 4261 is not paid at the time payment for transportation is made, then, under regulations prescribed by the Secretary, to the extent that such tax is not collected under any other provision of this subchapter, such tax shall be paid by the carrier providing the initial segment of such transportation which begins or ends in the United States.

(d) Application of tax

The tax imposed by section 4261 shall apply to any amount paid within the United States for transportation of any person by air unless the taxpayer establishes, pursuant to regulations prescribed by the Secretary, at the time of payment for the transportation, that the transportation is not transportation in respect of which tax is imposed by section 4261.

(e) Round trips

In applying this subchapter to a round trip, such round trip shall be considered to consist of transportation from the point of departure to the destination, and of separate transportation thereafter.

(f) Transportation outside the northern portion of the Western Hemisphere

In applying this subchapter to transportation any part of which is outside the northern portion of the Western Hemisphere, if the route of such transportation leaves and reenters the northern portion of the Western Hemisphere, such transportation shall be considered to consist of transportation to a point outside such northern portion, and of separate transportation thereafter. For purposes of this subsection, the term "northern portion of the Western Hemisphere" means the area lying west of the 30th meridian west of Greenwich, east of the international dateline, and north of the Equator, but not including any country of South America.

(Added July 25, 1956, ch. 725, §4(a), 70 Stat. 645, §4264; amended Pub. L. 87-508, §5(b), June 28, 1962, 76 Stat. 117; renumbered §4263, Pub. L. 91-258, title II, §205(c)(2), May 21, 1970, 84 Stat. 242; amended Pub. L. 94-455, title XIX,

§1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 105-34, title X, §1031(c)(3), Aug. 5, 1997, 111 Stat. 932.)

PRIOR PROVISIONS

A prior section 4263, acts Aug. 16, 1954, ch. 736, 68A Stat. 506, §4263, formerly §4262; renumbered §4263 and amended July 25, 1956, ch. 725, §2, 70 Stat. 644; Aug. 7, 1956, ch. 1024, §1, 70 Stat. 1077; June 29, 1957, Pub. L. 85-74, 71 Stat. 243; Sept. 2, 1958, Pub. L. 85-859, title I, §134, 72 Stat. 1292; June 28, 1962, Pub. L. 87-508, §5(b), 76 Stat. 117, provided for exemptions, subsecs. (a) to (d) relating to commutation travel, etc., certain organizations; members of the Armed Forces, and small aircraft on nonestablished lines, respectively, prior to repeal by Pub. L. 91-258, title II, §205(c)(1), May 21, 1970, 84 Stat. 242, effective on July 1, 1970, as provided in section 211(a) of Pub. L. 91-258, set out as a note under section 4041 of this title.

AMENDMENTS

1997—Subsec. (c). Pub. L. 105-34 substituted "subchapter, such tax shall be paid by the carrier providing the initial segment of such transportation which begins or ends in the United States." for "subchapter—

"(1) such tax shall be paid by the person paying for the transportation or by the person using the transportation;

"(2) such tax shall be paid within such time as the Secretary shall prescribe by regulations after whichever of the following first occurs:

"(A) the rights to the transportation expire; or

"(B) the time when the transportation becomes subject to tax; and

"(3) payment of such tax shall be made to the Secretary, to the person to whom the payment for transportation was made, or, in the case of transportation other than transportation described in section 4262(a)(1), to any person furnishing any portion of such transportation."

1976—Subsecs. (b) to (d), Pub. L. 94-455 struck out "or his delegate" after "Secretary".

1962—Subsec. (c)(3). Pub. L. 87-508 provided for payment of tax, in the case of transportation other than transportation described in section 4262(a)(1), to any person furnishing any portion of the transportation.

Subsec. (d). Pub. L. 87-508 inserted "by air" after "transportation of any person".

Subsec. (e). Pub. L. 87-508 substituted "subchapter" for "part".

Subsec. (f). Pub. L. 87-508 substituted "subchapter" for "part", struck out par. (1) designation for provision respecting transportation outside the northern portion of the Western Hemisphere and par. (2) prohibiting consideration as a stop at a port within the United States a stop at an intermediate port at which vessel is not authorized to discharge and take on passengers.

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105-34 applicable to transportation beginning on or after Oct. 1, 1997, with special rule for applicability to amounts paid before Oct. 1, 1997, see section 1031(e)(2) of Pub. L. 105-34, set out as a note under section 4261 of this title.

EFFECTIVE DATE OF 1962 AMENDMENT

Pub. L. 87-508, §5(b), June 28, 1962, 76 Stat. 115, provided that the amendment made by that section is effective with respect to transportation beginning after Nov. 15, 1962.

EFFECTIVE DATE

Section applicable to amounts paid on or after first day of first month which begins more than sixty days after July 25, 1956, for transportation commencing on or after such first day, see section 6 of act July 25, 1956, set out as an Effective Date of 1956 Amendment note under section 4261 of this title.

PART II—PROPERTY

Sec.	
4271.	Imposition of tax.
4272.	Definition of taxable transportation, etc.

AMENDMENTS

1970—Pub. L. 91-258, title II, §204, May 21, 1970, 84 Stat. 239, added “PART II—PROPERTY” and items 4271 and 4272.

§ 4271. Imposition of tax**(a) In general**

There is hereby imposed upon the amount paid within or without the United States for the taxable transportation (as defined in section 4272) of property a tax equal to 6.25 percent of the amount so paid for such transportation. The tax imposed by this subsection shall apply only to amounts paid to a person engaged in the business of transporting property by air for hire.

(b) By whom paid**(1) In general**

Except as provided by paragraph (2), the tax imposed by subsection (a) shall be paid by the person making the payment subject to tax.

(2) Payments made outside the United States

If a payment subject to tax under subsection (a) is made outside the United States and the person making such payment does not pay such tax, such tax—

(A) shall be paid by the person to whom the property is delivered in the United States by the person furnishing the last segment of the taxable transportation in respect of which such tax is imposed, and

(B) shall be collected by the person furnishing the last segment of such taxable transportation.

(c) Determination of amounts paid in certain cases

For purposes of this section, in any case in which a person engaged in the business of transporting property by air for hire and one or more other persons not so engaged jointly provide services which include taxable transportation of property, and the person so engaged receives, for the furnishing of such taxable transportation, a portion of the receipts from the joint providing of such services, the amount paid for the taxable transportation shall be treated as being the sum of (1) the portion of the receipts so received, and (2) any expenses incurred by any of the persons not so engaged which are properly attributable to such taxable transportation and which are taken into account in determining the portion of the receipts so received.

(d) Application of tax**(1) In general**

The tax imposed by subsection (a) shall apply to—

(A) transportation beginning during the period—

(i) beginning on the 7th day after the date of the enactment of the Airport and Airway Trust Fund Tax Reinstatement Act of 1997, and

(ii) ending on March 31, 2018, and

(B) amounts paid during such period for transportation beginning after such period.

(2) Refunds

If, as of the date any transportation begins, the taxes imposed by this section would not have applied to such transportation if paid for on such date, any tax paid under paragraph (1)(B) with respect to such transportation shall be treated as an overpayment.

(Added Pub. L. 91-258, title II, §204, May 21, 1970, 84 Stat. 239; amended Pub. L. 94-455, title XIX, §1904(a)(8), Oct. 4, 1976, 90 Stat. 1812; Pub. L. 96-298, §1(b), July 1, 1980, 94 Stat. 829; Pub. L. 97-248, title II, §280(b), Sept. 3, 1982, 96 Stat. 564; Pub. L. 100-223, title IV, §402(a)(2), Dec. 30, 1987, 101 Stat. 1532; Pub. L. 101-508, title XI, §11213(a)(2), (d)(1), Nov. 5, 1990, 104 Stat. 1388-432, 1388-435; Pub. L. 104-188, title I, §1609(b), Aug. 20, 1996, 110 Stat. 1841; Pub. L. 105-2, §2(b)(2), Feb. 28, 1997, 111 Stat. 5; Pub. L. 105-34, title X, §1031(b)(2), Aug. 5, 1997, 111 Stat. 929; Pub. L. 110-161, div. K, title I, §116(b)(2), Dec. 26, 2007, 121 Stat. 2381; Pub. L. 110-190, §2(b)(2), Feb. 28, 2008, 122 Stat. 643; Pub. L. 110-253, §2(b)(2), June 30, 2008, 122 Stat. 2417; Pub. L. 110-330, §2(b)(2), Sept. 30, 2008, 122 Stat. 3717; Pub. L. 111-12, §2(b)(2), Mar. 30, 2009, 123 Stat. 1457; Pub. L. 111-69, §2(b)(2), Oct. 1, 2009, 123 Stat. 2054; Pub. L. 111-116, §2(b)(2), Dec. 16, 2009, 123 Stat. 3031; Pub. L. 111-153, §2(b)(2), Mar. 31, 2010, 124 Stat. 1084; Pub. L. 111-161, §2(b)(2), Apr. 30, 2010, 124 Stat. 1126; Pub. L. 111-197, §2(b)(2), July 2, 2010, 124 Stat. 1353; Pub. L. 111-216, title I, §101(b)(2), Aug. 1, 2010, 124 Stat. 2349; Pub. L. 111-249, §2(b)(2), Sept. 30, 2010, 124 Stat. 2627; Pub. L. 111-329, §2(b)(2), Dec. 22, 2010, 124 Stat. 3566; Pub. L. 112-7, §2(b)(2), Mar. 31, 2011, 125 Stat. 31; Pub. L. 112-16, §2(b)(2), May 31, 2011, 125 Stat. 218; Pub. L. 112-21, §2(b)(2), June 29, 2011, 125 Stat. 233; Pub. L. 112-27, §2(b)(2), Aug. 5, 2011, 125 Stat. 270; Pub. L. 112-30, title II, §202(b)(2), Sept. 16, 2011, 125 Stat. 357; Pub. L. 112-91, §2(b)(2), Jan. 31, 2012, 126 Stat. 3; Pub. L. 112-95, title XI, §1101(b)(2), Feb. 14, 2012, 126 Stat. 148; Pub. L. 114-55, title II, §202(b)(2), Sept. 30, 2015, 129 Stat. 525; Pub. L. 114-141, title II, §202(b)(2), Mar. 30, 2016, 130 Stat. 324; Pub. L. 114-190, title I, §1202(b)(2), July 15, 2016, 130 Stat. 619; Pub. L. 115-63, title II, §202(b)(2), Sept. 29, 2017, 131 Stat. 1171.)

REFERENCES IN TEXT

The date of the enactment of the Airport and Airway Trust Fund Tax Reinstatement Act of 1997, referred to in subsec. (d)(1)(A)(i), is the date of enactment of Pub. L. 105-2, which was approved Feb. 28, 1997.

PRIOR PROVISIONS

A prior section 4271, act Aug. 16, 1954, ch. 736, 68A Stat. 507, 508, related to tax for the transportation of property, prior to repeal by Pub. L. 85-475, §4(a), June 30, 1958, 72 Stat. 260. For effective date of repeal, see section 4(c) of Pub. L. 85-475, set out as an Effective Date of 1958 Amendment note under section 6415 of this title.

AMENDMENTS

2017—Subsec. (d)(1)(A)(ii). Pub. L. 115-63 substituted “March 31, 2018” for “September 30, 2017”.

2016—Subsec. (d)(1)(A)(ii). Pub. L. 114-190 substituted “September 30, 2017” for “July 15, 2016”.

Pub. L. 114-141 substituted “July 15, 2016” for “March 31, 2016”.