

Service Announcement 2005-80 with respect to such transaction, or

“(II) the taxpayer has entered into a settlement agreement pursuant to such an initiative.

Subclause (I) shall not apply to any taxpayer if, after January 23, 2006, the taxpayer withdraws from, or terminates, participation in the initiative or the Secretary of the Treasury or the Secretary’s delegate determines that a settlement agreement will not be reached pursuant to the initiative within a reasonable period of time.

“(iii) TAXPAYERS ACTING IN GOOD FAITH.—The Secretary of the Treasury or the Secretary’s delegate may except from the application of clause (i) any transaction in which the taxpayer has acted reasonably and in good faith.

“(iv) CLOSED TRANSACTIONS.—Clause (i) shall not apply to a transaction if, as of December 14, 2005—

“(I) the assessment of all Federal income taxes for the taxable year in which the tax liability to which the interest relates arose is prevented by the operation of any law or rule of law, or

“(II) a closing agreement under section 7121 has been entered into with respect to the tax liability arising in connection with the transaction.”

[Pub. L. 109-432, div. A, title IV, §426(b)(2), Dec. 20, 2006, 120 Stat. 2975, provided that: “The amendment made by this subsection [amending section 903(d) of Pub. L. 108-357, set out above] shall take effect as if included in the provisions of the American Jobs Creation Act of 2004 [Pub. L. 108-357] to which it relates.”]

[Pub. L. 109-135, title III, §303(a)(2), Dec. 21, 2005, 119 Stat. 2609, provided that: “The amendment made by this subsection [amending section 903(d) of Pub. L. 108-357, set out above] shall take effect as if included in the provisions of the American Jobs Creation Act of 2004 [Pub. L. 108-357] to which it relates.”]

#### EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107-134 applicable to disasters and terroristic or military actions occurring on or after Sept. 11, 2001, with respect to any action of the Secretary of the Treasury, the Secretary of Labor, or the Pension Benefit Guaranty Corporation occurring on or after Jan. 23, 2002, see section 112(f) of Pub. L. 107-134, set out as a note under section 6081 of this title.

#### EFFECTIVE DATE OF 1998 AMENDMENTS

Amendment by Pub. L. 105-277 effective as if included in the provision of the Taxpayer Relief Act of 1997, Pub. L. 105-34, to which such amendment relates, see section 4003(l) of Pub. L. 105-277, set out as a note under section 86 of this title.

Pub. L. 105-206, title III, §3305(b), July 22, 1998, 112 Stat. 743, provided that: “The amendments made by this section [amending this section] shall apply to taxable years ending after the date of the enactment of this Act [July 22, 1998].”

Pub. L. 105-206, title III, §3309(b), (c), July 22, 1998, 112 Stat. 745, provided that:

“(b) EFFECTIVE DATE.—The amendment made by this section [amending this section] shall apply to disasters declared after December 31, 1997, with respect to taxable years beginning after December 31, 1997.

“(c) EMERGENCY DESIGNATION.—

“(1) For the purposes of section 252(e) of the Balanced Budget and Emergency Deficit Control Act [2 U.S.C. 902(e)], Congress designates the provisions of this section as an emergency requirement.

“(2) The amendments made by subsections (a) and (b) of this section [amending this section] shall only take effect upon the transmittal by the President to the Congress of a message designating the provisions of subsections (a) and (b) as an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act.”

[For message of the President dated July 22, 1998, designating the provisions of section 3309(a), (b) of Pub. L. 105-206 as an emergency requirement pursuant to sec-

tion 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 on July 22, 1998, see Cong. Rec., vol. 144, p. H6160, Daily Issue.]

#### EFFECTIVE DATE OF 1996 AMENDMENT

Pub. L. 104-168, title III, §301(c), July 30, 1996, 110 Stat. 1457, provided that: “The amendments made by this section [amending this section] shall apply to interest accruing with respect to deficiencies or payments for taxable years beginning after the date of the enactment of this Act [July 30, 1996].”

Pub. L. 104-168, title III, §302(b), July 30, 1996, 110 Stat. 1458, provided that: “The amendment made by this section [amending this section] shall apply to requests for abatement after the date of the enactment of this Act [July 30, 1996].”

Pub. L. 104-168, title VII, §701(d), July 30, 1996, 110 Stat. 1464, provided that: “The amendments made by this section [amending this section and sections 6656 and 7430 of this title] shall apply in the case of proceedings commenced after the date of the enactment of this Act [July 30, 1996].”

#### EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by section 1015(n) of 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.

Pub. L. 100-647, title VI, §6229(b), Nov. 10, 1988, 102 Stat. 3733, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to advice requested on or after January 1, 1989.”

#### EFFECTIVE DATE OF 1986 AMENDMENT

Pub. L. 99-514, title XV, §1563(b), Oct. 22, 1986, 100 Stat. 2762, provided that:

“(1) IN GENERAL.—The amendment made by subsection (a) [amending this section] shall apply to interest accruing with respect to deficiencies or payments for taxable years beginning after December 31, 1978.

“(2) STATUTE OF LIMITATIONS.—If refund or credit of any amount resulting from the application of the amendment made by subsection (a) is prevented at any time before the close of the date which is 1 year after the date of the enactment of this Act [Oct. 22, 1986] by the operation of any law or rule of law (including res judicata), refund or credit of such amount (to the extent attributable to the application of the amendment made by subsection (a)) may, nevertheless, be made or allowed if claim therefore [sic] is filed before the close of such 1-year period.”

#### EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-589 effective on 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.

#### EFFECTIVE DATE OF 1976 AMENDMENT

Pub. L. 94-455, title XII, §1212(b), Oct. 4, 1976, 90 Stat. 1712, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to returns filed for taxable years ending after the date of enactment of this Act [Oct. 4, 1976].”

### § 6405. Reports of refunds and credits

#### (a) By Treasury to Joint Committee

No refund or credit of any income, war profits, excess profits, estate, or gift tax, or any tax imposed with respect to public charities, private foundations, operators’ trust funds, pension plans, or real estate investment trusts under chapter 41, 42, 43, or 44, in excess of \$2,000,000 (\$5,000,000 in the case of a C corporation) shall be

made until after the expiration of 30 days from the date upon which a report giving the name of the person to whom the refund or credit is to be made, the amount of such refund or credit, and a summary of the facts and the decision of the Secretary, is submitted to the Joint Committee on Taxation.

**(b) Tentative adjustments**

Any credit or refund allowed or made under section 6411 shall be made without regard to the provisions of subsection (a) of this section. In any such case, if the credit or refund, reduced by any deficiency in such tax thereafter assessed and by deficiencies in any other tax resulting from adjustments reflected in the determination of the credit or refund, is in excess of \$2,000,000 (\$5,000,000 in the case of a C corporation), there shall be submitted to such committee a report containing the matter specified in subsection (a) at such time after the making of the credit or refund as the Secretary shall determine the correct amount of the tax.

**(c) Refunds attributable to certain disaster losses**

If any refund or credit of income taxes is attributable to the taxpayer's election under section 165(i) to deduct a disaster loss for the taxable year immediately preceding the taxable year in which the disaster occurred, the Secretary is authorized in his discretion to make the refund or credit, to the extent attributable to such election, without regard to the provisions of subsection (a) of this section. If such refund or credit is made without regard to subsection (a), there shall thereafter be submitted to such Joint Committee a report containing the matter specified in subsection (a) as soon as the Secretary shall determine the correct amount of the tax for the taxable year for which the refund or credit is made.

(Aug. 16, 1954, ch. 736, 68A Stat. 792; Pub. L. 92-418, §2(b), Aug. 29, 1972, 86 Stat. 657; Pub. L. 92-512, title II, §203(a), Oct. 20, 1972, 86 Stat. 944; Pub. L. 94-455, title XII, §1210(a), (b), title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1711, 1834; Pub. L. 95-227, §4(d)(3), Feb. 10, 1978, 92 Stat. 23; Pub. L. 98-369, div. A, title VII, §711(c)(3), July 18, 1984, 98 Stat. 946; Pub. L. 99-514, title XVIII, §1879(e), Oct. 22, 1986, 100 Stat. 2906; Pub. L. 101-508, title XI, §§11801(c)(21)(A), 11834(a), Nov. 5, 1990, 104 Stat. 1388-528, 1388-560; Pub. L. 106-554, §1(a)(7) [title III, §305(a)], Dec. 21, 2000, 114 Stat. 2763, 2763A-634; Pub. L. 113-295, div. A, title III, §301(a), Dec. 19, 2014, 128 Stat. 4055.)

AMENDMENTS

2014—Subsecs. (a), (b). Pub. L. 113-295 inserted “(\$5,000,000 in the case of a C corporation)” after “\$2,000,000”.

2000—Subsecs. (a), (b). Pub. L. 106-554 substituted “\$2,000,000” for “\$1,000,000”.

1990—Subsecs. (a), (b). Pub. L. 101-508, §11834(a) substituted “\$1,000,000” for “\$200,000”.

Subsec. (d). Pub. L. 101-508, §11801(c)(21)(A), struck out subsec. (d) which read as follows: “For purposes of this section, a refund or credit made under subchapter E of chapter 64 (relating to Federal collection of qualified State individual income taxes) for a taxable year shall be treated as a portion of a refund or credit of the income tax for that taxable year.”

1986—Subsecs. (b) to (e). Pub. L. 99-514 redesignated subsecs. (c) to (e) as (b) to (d), respectively, and struck

out former subsec. (b) which read as follows: “A report to Congress shall be made annually by such committee of such refunds and credits, including the names of all persons and corporations to whom amounts are credited or payments are made, together with the amounts credited or paid to each.”

1984—Subsec. (d). Pub. L. 98-369 substituted “section 165(i)” for “section 165(h)”.

1978—Subsec. (a). Pub. L. 95-227 inserted provisions relating to applicability to public charities, operators' trust funds, or real estate investment trusts, and references to chapters 41 and 44.

1976—Subsec. (a). Pub. L. 94-455, §1210(a), inserted reference to any tax imposed with respect to private foundations and pensions under chapters 42 and 43, substituted \$200,000 for \$100,000 and struck out “or his delegate” after “Secretary”.

Subsec. (c). Pub. L. 94-455, §§1210(b), 1906(b)(13)(A), substituted “\$200,000” for “\$100,000” and struck out “or his delegate” after “Secretary”.

Subsec. (d). Pub. L. 94-455, §1906(b)(13)(A), struck out “or his delegate” after “Secretary” wherever appearing.

1972—Subsec. (d). Pub. L. 92-418 added subsec. (d).

Subsec. (e). Pub. L. 92-512 added subsec. (e).

EFFECTIVE DATE OF 2014 AMENDMENT

Pub. L. 113-295, div. A, title III, §301(b), Dec. 19, 2014, 128 Stat. 4055, provided that: “The amendment made by this section [amending this section] shall take effect on the date of the enactment of this Act [Dec. 19, 2014], except that such amendment shall not apply with respect to any refund or credit with respect to a report that has been made before such date under section 6405 of the Internal Revenue Code of 1986.”

EFFECTIVE DATE OF 2000 AMENDMENT

Pub. L. 106-554, §1(a)(7) [title III, §305(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A-634, provided that: “The amendment made by subsection (a) [amending this section] shall take effect on the date of the enactment of this Act [Dec. 21, 2000], except that such amendment shall not apply with respect to any refund or credit with respect to a report that has been made before such date of the enactment under section 6405 of the Internal Revenue Code of 1986.”

EFFECTIVE DATE OF 1990 AMENDMENT

Pub. L. 101-508, title XI, §11834(b), Nov. 5, 1990, 104 Stat. 1388-560, provided that: “The amendment made by subsection (a) [amending this section] shall take effect on the date of the enactment of this Act [Nov. 5, 1990], except that such amendment shall not apply with respect to any refund or credit with respect to a report that has been made before such date of enactment under section 6405 of the Internal Revenue Code of 1986.”

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by Pub. L. 99-514 effective, except as otherwise provided, as if included in the provisions of the Tax Reform Act of 1984, Pub. L. 98-369, div. A, to which such amendment relates, see section 1881 of Pub. L. 99-514, set out as a note under section 48 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-369 effective as if included in the provision of the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97-248, to which such amendment relates, see section 715 of Pub. L. 98-369, set out as a note under section 31 of this title.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95-227 applicable with respect to contributions, acts, and expenditures made after Dec. 31, 1977, in and for taxable years beginning after such date, see section 4(f) of Pub. L. 95-227, set out as an Effective Date note under section 192 of this title.

EFFECTIVE DATE OF 1976 AMENDMENT

Pub. L. 94-455, title XII, §1210(d)(1), Oct. 4, 1976, 90 Stat. 1711, as amended by Pub. L. 99-514, §2, Oct. 22,

1986, 100 Stat. 2095, provided that: “The amendments made by subsections (a) and (b) [amending this section] shall take effect on the date of enactment of this Act [Oct. 4, 1976], except that such amendments shall not apply with respect to any refund or credit with respect to which a report has been made before the date of enactment of this Act [Oct. 4, 1976] under subsection (a) or (c) of section 6405 of the Internal Revenue Code of 1986 [formerly I.R.C. 1954].”

EFFECTIVE DATE OF 1972 AMENDMENT

Pub. L. 92-418, §2(c), Aug. 29, 1972, 86 Stat. 657, provided in part that: “The amendment made by subsection (b) [amending this section] shall apply with respect to refunds or credits made after July 1, 1972.”

SAVINGS PROVISION

For provisions that nothing in amendment by section 11801(c)(21)(A) of Pub. L. 101-508 be construed to affect treatment of certain transactions occurring, property acquired, or items of income, loss, deduction, or credit taken into account prior to Nov. 5, 1990, for purposes of determining liability for tax for periods ending after Nov. 5, 1990, see section 11821(b) of Pub. L. 101-508, set out as a note under section 45K of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL  
JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§1101-1147 and 1171-1177] or title XVIII [§§1800-1899A] of Pub. L. 99-514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99-514, as amended, set out as a note under section 401 of this title.

**§ 6406. Prohibition of administrative review of decisions**

In the absence of fraud or mistake in mathematical calculation, the findings of fact in and the decision of the Secretary upon the merits of any claim presented under or authorized by the internal revenue laws and the allowance or non-allowance by the Secretary of interest on any credit or refund under the internal revenue laws shall not, except as provided in subchapters C and D of chapter 76 (relating to the Tax Court), be subject to review by any other administrative or accounting officer, employee, or agent of the United States.

(Aug. 16, 1954, ch. 736, 68A Stat. 792; Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834.)

AMENDMENTS

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary” wherever appearing.

**§ 6407. Date of allowance of refund or credit**

The date on which the Secretary first authorizes the scheduling of an overassessment in respect of any internal revenue tax shall be considered as the date of allowance of refund or credit in respect of such tax.

(Aug. 16, 1954, ch. 736, 68A Stat. 793; Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834.)

AMENDMENTS

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary” wherever appearing.

**§ 6408. State escheat laws not to apply**

No overpayment of any tax imposed by this title shall be refunded (and no interest with respect to any such overpayment shall be paid) if the amount of such refund (or interest) would escheat to a State or would otherwise become the property of a State under any law relating to the disposition of unclaimed or abandoned property. No refund (or payment of interest) shall be made to the estate of any decedent unless it is affirmatively shown that such amount will not escheat to a State or otherwise become the property of a State under such a law.

(Added Pub. L. 100-203, title X, §10621(a), Dec. 22, 1987, 101 Stat. 1330-452.)

EFFECTIVE DATE

Pub. L. 100-203, title X, §10621(c), Dec. 22, 1987, 101 Stat. 1330-452, provided that: “The amendments made by this section [enacting this section] shall take effect on the date of the enactment of this Act [Dec. 22, 1987].”

**§ 6409. Refunds disregarded in the administration of Federal programs and federally assisted programs**

Notwithstanding any other provision of law, any refund (or advance payment with respect to a refundable credit) made to any individual under this title shall not be taken into account as income, and shall not be taken into account as resources for a period of 12 months from receipt, for purposes of determining the eligibility of such individual (or any other individual) for benefits or assistance (or the amount or extent of benefits or assistance) under any Federal program or under any State or local program financed in whole or in part with Federal funds.

(Added Pub. L. 111-312, title VII, §728(a), Dec. 17, 2010, 124 Stat. 3317; amended Pub. L. 112-240, title I, §103(d), Jan. 2, 2013, 126 Stat. 2320.)

AMENDMENTS

2013—Pub. L. 112-240 amended section generally. Prior to amendment, section related to refunds disregarded in the administration of Federal programs and federally assisted programs and provided that the provisions were inapplicable to any amount received after Dec. 31, 2012.

EFFECTIVE DATE OF 2013 AMENDMENT

Amendment by Pub. L. 112-240 applicable to amounts received after Dec. 31, 2012, see section 103(e)(2) of Pub. L. 112-240, set out as a note under section 24 of this title.

EFFECTIVE DATE

Pub. L. 111-312, title VII, §728(c), Dec. 17, 2010, 124 Stat. 3317, provided that: “The amendments made by this section [enacting this section] shall apply to amounts received after December 31, 2009.”

**Subchapter B—Rules of Special Application**

Sec.	
6411.	Tentative carryback and refund adjustments.
6412.	Floor stocks refunds.
6413.	Special rules applicable to certain employment taxes.
6414.	Income tax withheld.
6415.	Credits or refunds to persons who collected certain taxes.
6416.	Certain taxes on sales and services.