

structured settlement factoring transaction shall not affect the application of the provisions of such sections to the parties to the structured settlement (including an assignee under a qualified assignment under section 130) in any taxable year.

(2) No withholding of tax

The provisions of section 3405 regarding withholding of tax shall not apply to the person making the payments in the event of a structured settlement factoring transaction.

(Added Pub. L. 107-134, title I, §115(a), Jan. 23, 2002, 115 Stat. 2436.)

EFFECTIVE DATE

Pub. L. 107-134, title I, §115(c), Jan. 23, 2002, 115 Stat. 2438, provided that:

“(1) IN GENERAL.—The amendments made by this section [enacting this chapter] (other than the provisions of section 5891(d) of the Internal Revenue Code of 1986, as added by this section) shall apply to structured settlement factoring transactions (as defined in section 5891(c) of such Code (as so added)) entered into on or after the 30th day following the date of the enactment of this Act [Jan. 23, 2002].

“(2) CLARIFICATION OF EXISTING LAW.—Section 5891(d) of such Code (as so added) shall apply to structured settlement factoring transactions (as defined in section 5891(c) of such Code (as so added)) entered into before, on, or after such 30th day.

“(3) TRANSITION RULE.—In the case of a structured settlement factoring transaction entered into during the period beginning on the 30th day following the date of the enactment of this Act and ending on July 1, 2002, no tax shall be imposed under section 5891(a) of such Code if—

“(A) the structured settlement payee is domiciled in a State (or possession of the United States) which has not enacted a statute providing that the structured settlement factoring transaction is ineffective unless the transaction has been approved by an order, judgment, or decree of a court (or where applicable, a responsible administrative authority) which finds that such transaction—

“(i) does not contravene any Federal or State statute or the order of any court (or responsible administrative authority); and

“(ii) is in the best interest of the structured settlement payee or is appropriate in light of a hardship faced by the payee; and

“(B) the person acquiring the structured settlement payment rights discloses to the structured settlement payee in advance of the structured settlement factoring transaction the amounts and due dates of the payments to be transferred, the aggregate amount to be transferred, the consideration to be received by the structured settlement payee for the transferred payments, the discounted present value of the transferred payments (including the present value as determined in the manner described in section 7520 of such Code), and the expenses required under the terms of the structured settlement factoring transaction to be paid by the structured settlement payee or deducted from the proceeds of such transaction.”

Subtitle F—Procedure and Administration

Chapter 61. Information and returns ..... Sec.1 6001
62. Time and place for paying tax ..... 6151
63. Assessment ..... 6201
64. Collection ..... 6301

1 Section numbers editorially supplied.

65. Abatements, credits, and refunds ..... 6401
66. Limitations ..... 6501
67. Interest ..... 6601
68. Additions to the tax, additional amounts, and assessable penalties ..... 6651
69. General provisions relating to stamps ..... 6801
70. Jeopardy, receiverships, etc. .... 6851
71. Transferees and fiduciaries ..... 6901
72. Licensing and registration ..... 7001
73. Bonds ..... 7101
74. Closing agreements and compromises ... 7121
75. Crimes, other offenses, and forfeitures ..... 7201
76. Judicial proceedings ..... 7401
77. Miscellaneous provisions ..... 7501
78. Discovery of liability and enforcement of title ..... 7601
79. Definitions ..... 7701
80. General Rules ..... 7801

AMENDMENTS

1980—Pub. L. 96-589, §6(g)(3)(E), Dec. 24, 1980, 94 Stat. 3410, substituted “Jeopardy, receiverships, etc.” for “Jeopardy, bankruptcy and receiverships” in item for chapter 70.

CHAPTER 61—INFORMATION AND RETURNS

Subchapter A. Returns and records ..... 6001
B. Miscellaneous provisions ..... 6101

Subchapter A—Returns and Records

Part I. Records, statements, and special returns.
II. Tax returns or statements.
III. Information returns.
IV. Signing and verifying of returns and other documents.
V. Time for filing returns and other documents.
VI. Extension of time for filing returns.
VII. Place for filing returns or other documents.
VIII. Designation of income tax payments to Presidential Election Campaign Fund.

AMENDMENTS

1966—Pub. L. 89-809, title III, §302(b), Nov. 13, 1966, 80 Stat. 1588, added item VIII.

PART I—RECORDS, STATEMENTS, AND SPECIAL RETURNS

Sec. 6001. Notice or regulations requiring records, statements, and special returns.

§ 6001. Notice or regulations requiring records, statements, and special returns

Every person liable for any tax imposed by this title, or for the collection thereof, shall keep such records, render such statements, make such returns, and comply with such rules and regulations as the Secretary may from time to time prescribe. Whenever in the judgment of the Secretary it is necessary, he may require any person, by notice served upon such person or by regulations, to make such returns, render such statements, or keep such records, as the Secretary deems sufficient to show whether or not such person is liable for tax under this title. The only records which an employer shall be required to keep under this section in connection with charged tips shall be charge receipts, records necessary to comply with section 6053(c),

1 Section numbers editorially supplied.