

dividual chooses the benefits of income averaging, see section 1301.” and redesignated former par. (3) as (2).

1982—Subsec. (a)(4). Pub. L. 97-248, §201(d)(4), formerly §201(c)(4), substituted “section 55” for “sections 55 and 56”.

1980—Subsec. (a)(4). Pub. L. 96-222 substituted “sections 55 and 56” for “section 55”.

1978—Subsec. (a)(3). Pub. L. 95-600, §401(b)(2), redesignated par. (4) as (3). Former par. (3), relating to the alternative tax in the case of capital gains, was struck out.

Subsec. (a)(4), (5). Pub. L. 95-600, §§401(b)(2), 421(e)(1), redesignated par. (5) as (4) and substituted “taxpayers other than corporations, see section 55” for “preferences, see section 56”. Former par. (4) redesignated (3).

1976—Subsec. (b). Pub. L. 94-455 redesignated pars. (2), (3), and (4), as (1), (2), (3), respectively, and struck out former par. (1) which referred to section 632 for limitation on tax attributable to sales of oil or gas properties and par. (5) which referred to section 1347 for limitation on tax attributable to claims against the U.S. involving acquisition of property.

1969—Subsec. (a)(5). Pub. L. 91-172, §301(b)(2), added par. (5).

Subsec. (b). Pub. L. 91-172, §803(d)(6), substituted “tax” for “surtax” in pars. (1) and (5).

1964—Subsec. (b). Pub. L. 88-272 redesignated pars. (2), (3), (4), (7) and (8) as pars. (1) to (5), respectively, substituted “where an individual chooses the benefits of income averaging” for “with respect to compensation for longterm services” in par. (3), and struck out former pars. (1), (5) and (6) which referred to tax attributable to receipt of lump sum under annuity, endowment, or life insurance contract, to income from artistic work or inventions, and to back pay, respectively.

#### EFFECTIVE DATE OF 2003 AMENDMENT

Pub. L. 108-121, title I, §110(a)(4), Nov. 11, 2003, 117 Stat. 1342, provided that: “The amendments made by this subsection [amending this section and sections 692 and 6013 of this title] shall apply with respect to any astronaut whose death occurs after December 31, 2002.”

#### EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107-134 applicable to taxable years ending before, on, or after Sept. 11, 2001, with provisions relating to waiver of limitations, see section 101(d) of Pub. L. 107-134, set out as a note under section 692 of this title.

#### EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by section 141(b)(2) of Pub. L. 99-514 applicable to taxable years beginning after Dec. 31, 1986, see section 151(a) of Pub. L. 99-514, set out as a note under section 1 of this title.

Amendment by section 701(e)(4)(A) of Pub. L. 99-514 applicable to taxable years beginning after Dec. 31, 1986, with certain exceptions and qualifications, see section 701(f) of Pub. L. 99-514, set out as an Effective Date note under section 55 of this title.

#### EFFECTIVE DATE OF 1982 AMENDMENT

Pub. L. 97-248, title II, §201(e)(1), Sept. 3, 1982, 96 Stat. 421, provided that: “The amendments made by this section [amending this section and sections 46, 53, 55, 56, 57, 58, 173, 174, 511, 616, 617, 897, 901, 936, 1016, 6015, 6362, 6654, and 7701 of this title] shall apply to taxable years beginning after December 31, 1982.”

#### EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96-222 effective, except as otherwise provided, as if it had been included in the provisions of the Revenue Act of 1978, Pub. L. 95-600, to which such amendment relates, see section 201 of Pub. L. 96-222, set out as a note under section 32 of this title.

#### EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by section 401(b)(2) of Pub. L. 95-600 applicable to taxable years beginning after Dec. 31, 1978,

see section 401(c) of Pub. L. 95-600, set out as a note under section 3 of this title.

Pub. L. 95-600, title IV, §421(g), Nov. 6, 1978, 92 Stat. 2877, provided that: “The amendments made by this section [enacting section 55 of this title and amending this section and sections 57, 58, 443, 511, 666, 871, 877, 904, 6015, 6362, and 6654 of this title] shall apply to taxable years beginning after December 31, 1978, except that the amendment made by paragraph (1) of subsection (b) [amending section 57 of this title] shall apply to sales and exchanges made after July 26, 1978, in taxable years ending after such date.”

#### EFFECTIVE DATE OF 1969 AMENDMENT

Pub. L. 91-172, title III, §301(c), Dec. 30, 1969, 83 Stat. 586, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that: “The amendments made by this section [enacting sections 56 to 58 of this title and amending this section and sections 12, 46, 51, 443, 453, 511, 901, 1373, 1375, 6015, and 6654 of this title] shall apply to taxable years ending after December 31, 1969. In the case of a taxable year beginning in 1969 and ending in 1970, the tax imposed by section 56 of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] (as added by subsection (a)) shall be an amount equal to the tax imposed by such section (determined without regard to this sentence) multiplied by a fraction—

“(1) the numerator of which is the number of days in the taxable year occurring after December 31, 1969, and

“(2) the denominator of which is the number of days in the entire taxable year.”

Amendment by section 803(d)(6) of Pub. L. 91-172 applicable to taxable years beginning after Dec. 31, 1970, see section 803(f) of Pub. L. 91-172, set out as a note under section 1 of this title.

#### EFFECTIVE DATE OF 1964 AMENDMENT

Pub. L. 88-272, title II, §232(g), Feb. 26, 1964, 78 Stat. 112, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that:

“(1) GENERAL RULE.—Except as provided in paragraph (2), the amendments made by this section [enacting sections 1301 to 1305, amending this section and sections 4, 72, 144, 402, 403, 6511, and omitting former sections 1301 to 1307 of this title] shall apply with respect to taxable years beginning after December 31, 1963.

“(2) INCOME FROM AN EMPLOYMENT.—If, in a taxable year beginning after December 31, 1963, an individual or partnership receives or accrues compensation from an employment (as defined by section 1301(b) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] as in effect immediately before the enactment of this Act [Feb. 26, 1964] and the employment began before February 6, 1963, the tax attributable to such compensation may, at the election of the taxpayer, be computed under the provisions of sections 1301 and 1307 of such Code as in effect immediately before the enactment of this Act. If a taxpayer so elects (at such time and in such manner as the Secretary of the Treasury or his delegate by regulations prescribes), he may not choose for such taxable year the benefits provided by part I of subchapter Q of chapter 1 of such Code (relating to income averaging) as amended by this Act and (if he elects to have subsection (e) of such section 1307 apply) section 170(b)(5) of such Code as amended by this Act shall not apply to charitable contributions paid in such taxable year.”

#### APPLICABILITY OF CERTAIN AMENDMENTS BY PUB. L. 99-514 IN RELATION TO TREATY OBLIGATIONS OF UNITED STATES

For applicability of amendment by section 701(e)(4)(A) of Pub. L. 99-514 notwithstanding any treaty obligation of the United States in effect on Oct. 22, 1986, see section 1012(aa)(2) of Pub. L. 100-647, set out as a note under section 861 of this title.

## PART II—TAX ON CORPORATIONS

Sec.  
11. Tax imposed.

Sec.  
12. Cross references relating to tax on corporations.

## § 11. Tax imposed

### (a) Corporations in general

A tax is hereby imposed for each taxable year on the taxable income of every corporation.

### (b) Amount of tax

The amount of the tax imposed by subsection (a) shall be 21 percent of taxable income.

### (c) Exceptions

Subsection (a) shall not apply to a corporation subject to a tax imposed by—

- (1) section 594 (relating to mutual savings banks conducting life insurance business),
- (2) subchapter L (sec. 801 and following, relating to insurance companies), or
- (3) subchapter M (sec. 851 and following, relating to regulated investment companies and real estate investment trusts).

### (d) Foreign corporations

In the case of a foreign corporation, the tax imposed by subsection (a) shall apply only as provided by section 882.

(Aug. 16, 1954, ch. 736, 68A Stat. 11; Mar. 30, 1955, ch. 18, § 2, 69 Stat. 14; Mar. 29, 1956, ch. 115, § 2, 70 Stat. 66; Pub. L. 85-12, § 2, Mar. 29, 1957, 71 Stat. 9; Pub. L. 85-475, § 2, June 30, 1958, 72 Stat. 259; Pub. L. 86-75, § 2, June 30, 1959, 73 Stat. 157; Pub. L. 86-564, title II, § 201, June 30, 1960, 74 Stat. 290; Pub. L. 86-779, § 10(d), Sept. 14, 1960, 74 Stat. 1009; Pub. L. 87-72, § 2, June 30, 1961, 75 Stat. 193; Pub. L. 87-508, § 2, June 28, 1962, 76 Stat. 114; Pub. L. 88-52, § 2, June 29, 1963, 77 Stat. 72; Pub. L. 88-272, title I, § 121, Feb. 26, 1964, 78 Stat. 25; Pub. L. 89-809, title I, § 104(b)(2), Nov. 13, 1966, 80 Stat. 1557; Pub. L. 91-172, title IV, § 401(b)(2)(B), Dec. 30, 1969, 83 Stat. 602; Pub. L. 94-12, title III, § 303(a), (b), Mar. 29, 1975, 89 Stat. 44; Pub. L. 94-164, § 4(a)-(c), Dec. 23, 1975, 89 Stat. 973, 974; Pub. L. 94-455, title IX, § 901(a), Oct. 4, 1976, 90 Stat. 1606; Pub. L. 95-30, title II, § 201(1), (2), May 23, 1977, 91 Stat. 141; Pub. L. 95-600, title III, § 301(a), Nov. 6, 1978, 92 Stat. 2820; Pub. L. 97-34, title II, § 231(a), Aug. 13, 1981, 95 Stat. 249; Pub. L. 98-369, div. A, title I, § 66(a), July 18, 1984, 98 Stat. 585; Pub. L. 99-514, title VI, § 601(a), Oct. 22, 1986, 100 Stat. 2249; Pub. L. 100-203, title X, § 10224(a), Dec. 22, 1987, 101 Stat. 1330-412; Pub. L. 100-647, title I, § 1007(g)(13)(B), Nov. 10, 1988, 102 Stat. 3436; Pub. L. 103-66, title XIII, § 13221(a), (b), Aug. 10, 1993, 107 Stat. 477; Pub. L. 115-97, title I, §§ 12001(b)(11), 13001(a), Dec. 22, 2017, 131 Stat. 2094, 2096.)

#### AMENDMENTS

2017—Subsec. (b). Pub. L. 115-97, § 13001(a), amended subsec. (b) generally. Prior to amendment, text read as follows:

“(1) IN GENERAL.—The amount of the tax imposed by subsection (a) shall be the sum of—

- “(A) 15 percent of so much of the taxable income as does not exceed \$50,000,
- “(B) 25 percent of so much of the taxable income as exceeds \$50,000 but does not exceed \$75,000,
- “(C) 34 percent of so much of the taxable income as exceeds \$75,000 but does not exceed \$10,000,000, and
- “(D) 35 percent of so much of the taxable income as exceeds \$10,000,000.

In the case of a corporation which has taxable income in excess of \$100,000 for any taxable year, the amount of tax determined under the preceding sentence for such taxable year shall be increased by the lesser of (i) 5 percent of such excess, or (ii) \$11,750. In the case of a corporation which has taxable income in excess of \$15,000,000, the amount of the tax determined under the foregoing provisions of this paragraph shall be increased by an additional amount equal to the lesser of (i) 3 percent of such excess, or (ii) \$100,000.

“(2) CERTAIN PERSONAL SERVICE CORPORATIONS NOT ELIGIBLE FOR GRADUATED RATES.—Notwithstanding paragraph (1), the amount of the tax imposed by subsection (a) on the taxable income of a qualified personal service corporation (as defined in section 448(d)(2)) shall be equal to 35 percent of the taxable income.”

Subsec. (d). Pub. L. 115-97, § 12001(b)(11), substituted “the tax imposed by subsection (a)” for “the taxes imposed by subsection (a) and section 55”.

1993—Subsec. (b)(1). Pub. L. 103-66, § 13221(a)(3), inserted at end of closing provisions “In the case of a corporation which has taxable income in excess of \$15,000,000, the amount of the tax determined under the foregoing provisions of this paragraph shall be increased by an additional amount equal to the lesser of (i) 3 percent of such excess, or (ii) \$100,000.”

Subsec. (b)(1)(C), (D). Pub. L. 103-66, § 13221(a)(1), (2), added subpars. (C) and (D) and struck out former subpar. (C) which read as follows: “34 percent of so much of the taxable income as exceeds \$75,000.”

Subsec. (b)(2). Pub. L. 103-66, § 13221(b), substituted “35 percent” for “34 percent”.

1988—Subsec. (d). Pub. L. 100-647 substituted “the taxes imposed by subsection (a) and section 55” for “the tax imposed by subsection (a)”.

1987—Subsec. (b). Pub. L. 100-203 amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “The amount of the tax imposed by subsection (a) shall be the sum of—

- “(1) 15 percent of so much of the taxable income as does not exceed \$50,000,
- “(2) 25 percent of so much of the taxable income as exceeds \$50,000 but does not exceed \$75,000, and
- “(3) 34 percent of so much of the taxable income as exceeds \$75,000.

In the case of a corporation which has taxable income in excess of \$100,000 for any taxable year, the amount of tax determined under the preceding sentence for such taxable year shall be increased by the lesser of (A) 5 percent of such excess, or (B) \$11,750.”

1986—Subsec. (b). Pub. L. 99-514 amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “The amount of the tax imposed by subsection (a) shall be the sum of—

- “(1) 15 percent (16 percent for taxable years beginning in 1982) of so much of the taxable income as does not exceed \$25,000;
- “(2) 18 percent (19 percent for taxable years beginning in 1982) of so much of the taxable income as exceeds \$25,000 but does not exceed \$50,000;
- “(3) 30 percent of so much of the taxable income as exceeds \$50,000 but does not exceed \$75,000;
- “(4) 40 percent of so much of the taxable income as exceeds \$75,000 but does not exceed \$100,000; plus
- “(5) 46 percent of so much of the taxable income as exceeds \$100,000.

In the case of a corporation with taxable income in excess of \$1,000,000 for any taxable year, the amount of tax determined under the preceding sentence for such taxable year shall be increased by the lesser of (A) 5 percent of such excess, or (B) \$20,250.”

1984—Subsec. (b). Pub. L. 98-369 inserted “In the case of a corporation with taxable income in excess of \$1,000,000 for any taxable year, the amount of tax determined under the preceding sentence for such taxable year shall be increased by the lesser of (A) 5 percent of such excess, or (B) \$20,250.”

1981—Subsec. (b)(1). Pub. L. 97-34, § 231(a)(1), substituted “15 percent (16 percent for taxable years beginning in 1982)” for “17 percent”.