

of Pub. L. 96-167, set out as a note under section 6652 of this title.

#### EFFECTIVE DATE

Section applicable to stock transferred pursuant to options exercised on or after Jan. 1, 1964. See section 221(e) of Pub. L. 88-272, set out as an Effective Date of 1964 Amendment note under section 421 of this title.

#### SAVINGS PROVISION

For provisions that nothing in amendment by 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.

#### **[§ 6039A. Repealed. Pub. L. 96-223, title IV, § 401(a), Apr. 2, 1980, 94 Stat. 299]**

Section, added Pub. L. 94-455, title XX, §2005(d)(1), Oct. 4, 1976, 90 Stat. 1877, related to information regarding carryover basis property acquired from a decedent. Repeal was achieved by repealing section 2005(d)(1) of Pub. L. 94-455 and the amendments made by that section.

#### EFFECTIVE DATE OF REPEAL AND REVIVAL OF PRIOR LAW

Repeal applicable in respect of decedents dying after Dec. 31, 1976, and, except for certain elections, this title to be applied and administered as if this section had not been enacted, see section 401(b), (e) of Pub. L. 96-223, set out as an Effective Date of 1980 Amendment and Revival of Prior Law note under section 1023 of this title.

#### **[§ 6039B. Repealed. Pub. L. 99-514, title XIII, § 1303(b)(5), Oct. 22, 1986, 100 Stat. 2658]**

Section, added Pub. L. 95-600, title VI, §601(b)(4), Nov. 6, 1978, 92 Stat. 2896; amended Pub. L. 96-595, §3(b), Dec. 24, 1980, 94 Stat. 3466, related to returns of general stock ownership corporations.

#### EFFECTIVE DATE OF REPEAL

Repeal effective Oct. 22, 1986, see section 1311(f) of Pub. L. 99-514, as amended, set out as an Effective Date; Transitional Rules note under section 141 of this title.

#### **§ 6039C. Returns with respect to foreign persons holding direct investments in United States real property interests**

##### **(a) General rule**

To the extent provided in regulations, any foreign person holding direct investments in United States real property interests for the calendar year shall make a return setting forth—

- (1) the name and address of such person,
- (2) a description of all United States real property interests held by such person at any time during the calendar year, and
- (3) such other information as the Secretary may by regulations prescribe.

##### **(b) Definition of foreign persons holding direct investments in United States real property interests**

For purposes of this section, a foreign person shall be treated as holding direct investments in United States real property interests during any calendar year if—

- (1) such person did not engage in a trade or business in the United States at any time during such calendar year, and

(2) the fair market value of the United States real property interests held directly by such person at any time during such year equals or exceeds \$50,000.

##### **(c) Definitions and special rules**

For purposes of this section—

##### **(1) United States real property interest**

The term “United States real property interest” has the meaning given to such term by section 897(c).

##### **(2) Foreign person**

The term “foreign person” means any person who is not a United States person.

##### **(3) Attribution of ownership**

For purposes of subsection (b)(2)—

##### **(A) Interests held by partnerships, etc.**

United States real property interests held by a partnership, trust, or estate shall be treated as owned proportionately by its partners or beneficiaries.

##### **(B) Interests held by family members**

United States real property interests held by the spouse or any minor child of an individual shall be treated as owned by such individual.

##### **(4) Time and manner of filing return**

All returns required to be made under this section shall be made at such time and in such manner as the Secretary shall by regulations prescribe.

##### **(d) Special rule for United States interest and Virgin Islands interest**

A nonresident alien individual or foreign corporation subject to tax under section 897(a) (and any person required to withhold tax under section 1445) shall pay any tax and file any return required by this title—

(1) to the United States, in the case of any interest in real property located in the United States and an interest (other than an interest solely as a creditor) in a domestic corporation (with respect to the United States) described in section 897(c)(1)(A)(ii), and

(2) to the Virgin Islands, in the case of any interest in real property located in the Virgin Islands and an interest (other than an interest solely as a creditor) in a domestic corporation (with respect to the Virgin Islands) described in section 897(c)(1)(A)(ii).

(Added Pub. L. 96-499, title XI, §1123(a), Dec. 5, 1980, 94 Stat. 2687; amended Pub. L. 97-34, title VIII, §831(a)(3), (e), Aug. 13, 1981, 95 Stat. 352, 354; Pub. L. 98-369, div. A, title I, §129(b)(1), July 18, 1984, 98 Stat. 659; Pub. L. 99-514, title XVIII, §1810(f)(7), Oct. 22, 1986, 100 Stat. 2828.)

#### AMENDMENTS

1986—Subsec. (d). Pub. L. 99-514 inserted “(and any person required to withhold tax under section 1445)” after “section 897(a)”.

1984—Pub. L. 98-369 amended section generally, inserting in section catchline “foreign persons holding direct investments in” and substituting in text provisions concerning returns with respect to foreign persons holding direct investments in United States real property for provisions concerning returns with respect to United States real property interests.