

(1) the amount which would otherwise be reported under subsection (a)(2) with respect to such transactions exceeds \$20,000, and

(2) the aggregate number of such transactions exceeds 200.

(f) Statements to be furnished to persons with respect to whom information is required

Every person required to make a return under subsection (a) shall furnish to each person with respect to whom such a return is required a written statement showing—

(1) the name, address, and phone number of the information contact of the person required to make such return, and

(2) the gross amount of the reportable payment transactions with respect to the person required to be shown on the return.

The written statement required under the preceding sentence shall be furnished to the person on or before January 31 of the year following the calendar year for which the return under subsection (a) was required to be made. Such statement may be furnished electronically, and if so, the email address of the person required to make such return may be shown in lieu of the phone number.

(g) Regulations

The Secretary may prescribe such regulations or other guidance as may be necessary or appropriate to carry out this section, including rules to prevent the reporting of the same transaction more than once.

(Added Pub. L. 110-289, div. C, title III, §3091(a), July 30, 2008, 122 Stat. 2908; amended Pub. L. 115-123, div. D, title II, §4117(a), Feb. 9, 2018, 132 Stat. 162.)

AMENDMENTS

2018—Subsec. (d)(1)(B). Pub. L. 115-123 inserted at end “Notwithstanding the preceding sentence, a person with only a foreign address shall not be treated as a participating payee with respect to any payment settlement entity solely because such person receives payments from such payment settlement entity in dollars.”

EFFECTIVE DATE OF 2018 AMENDMENT

Pub. L. 115-123, div. D, title II, §4117(b), Feb. 9, 2018, 132 Stat. 162, provided that: “The amendment made by this section [amending this section] shall apply to returns for calendar years beginning after December 31, 2017.”

EFFECTIVE DATE

Section applicable to returns for calendar years beginning after Dec. 31, 2010, with exception for purposes of carrying out any TIN matching program, see section 3091(e) of Pub. L. 110-289, set out as an Effective Date of 2008 Amendment note under section 3406 of this title.

§ 6050X. Information with respect to certain fines, penalties, and other amounts

(a) Requirement of reporting

(1) In general

The appropriate official of any government or any entity described in section 162(f)(5) which is involved in a suit or agreement described in paragraph (2) shall make a return in such form as determined by the Secretary setting forth—

(A) the amount required to be paid as a result of the suit or agreement to which paragraph (1) of section 162(f) applies,

(B) any amount required to be paid as a result of the suit or agreement which constitutes restitution or remediation of property, and

(C) any amount required to be paid as a result of the suit or agreement for the purpose of coming into compliance with any law which was violated or involved in the investigation or inquiry.

(2) Suit or agreement described

(A) In general

A suit or agreement is described in this paragraph if—

(i) it is—

(I) a suit with respect to a violation of any law over which the government or entity has authority and with respect to which there has been a court order, or

(II) an agreement which is entered into with respect to a violation of any law over which the government or entity has authority, or with respect to an investigation or inquiry by the government or entity into the potential violation of any law over which such government or entity has authority, and

(ii) the aggregate amount involved in all court orders and agreements with respect to the violation, investigation, or inquiry is \$600 or more.

(B) Adjustment of reporting threshold

The Secretary shall adjust the \$600 amount in subparagraph (A)(ii) as necessary in order to ensure the efficient administration of the internal revenue laws.

(3) Time of filing

The return required under this subsection shall be filed at the time the agreement is entered into, as determined by the Secretary.

(b) Statements to be furnished to individuals involved in the settlement

Every person required to make a return under subsection (a) shall furnish to each person who is a party to the suit or agreement a written statement showing—

(1) the name of the government or entity, and

(2) the information supplied to the Secretary under subsection (a)(1).

The written statement required under the preceding sentence shall be furnished to the person at the same time the government or entity provides the Secretary with the information required under subsection (a).

(c) Appropriate official defined

For purposes of this section, the term “appropriate official” means the officer or employee having control of the suit, investigation, or inquiry or the person appropriately designated for purposes of this section.

(Added Pub. L. 115-97, title I, §13306(b)(1), Dec. 22, 2017, 131 Stat. 2128.)

EFFECTIVE DATE

Pub. L. 115-97, title I, §13306(b)(3), Dec. 22, 2017, 131 Stat. 2129, provided that: “The amendments made by

this subsection [enacting this section] shall apply to amounts paid or incurred on or after the date of the enactment of this Act [Dec. 22, 2017], except that such amendments shall not apply to amounts paid or incurred under any binding order or agreement entered into before such date. Such exception shall not apply to an order or agreement requiring court approval unless the approval was obtained before such date.”

§ 6050Y. Returns relating to certain life insurance contract transactions

(a) Requirement of reporting of certain payments

(1) In general

Every person who acquires a life insurance contract or any interest in a life insurance contract in a reportable policy sale during any taxable year shall make a return for such taxable year (at such time and in such manner as the Secretary shall prescribe) setting forth—

(A) the name, address, and TIN of such person,

(B) the name, address, and TIN of each recipient of payment in the reportable policy sale,

(C) the date of such sale,

(D) the name of the issuer of the life insurance contract sold and the policy number of such contract, and

(E) the amount of each payment.

(2) Statement to be furnished to persons with respect to whom information is required

Every person required to make a return under this subsection shall furnish to each person whose name is required to be set forth in such return a written statement showing—

(A) the name, address, and phone number of the information contact of the person required to make such return, and

(B) the information required to be shown on such return with respect to such person, except that in the case of an issuer of a life insurance contract, such statement is not required to include the information specified in paragraph (1)(E).

(b) Requirement of reporting of seller’s basis in life insurance contracts

(1) In general

Upon receipt of the statement required under subsection (a)(2) or upon notice of a transfer of a life insurance contract to a foreign person, each issuer of a life insurance contract shall make a return (at such time and in such manner as the Secretary shall prescribe) setting forth—

(A) the name, address, and TIN of the seller who transfers any interest in such contract in such sale,

(B) the investment in the contract (as defined in section 72(e)(6)) with respect to such seller, and

(C) the policy number of such contract.

(2) Statement to be furnished to persons with respect to whom information is required

Every person required to make a return under this subsection shall furnish to each person whose name is required to be set forth in such return a written statement showing—

(A) the name, address, and phone number of the information contact of the person required to make such return, and

(B) the information required to be shown on such return with respect to each seller whose name is required to be set forth in such return.

(c) Requirement of reporting with respect to reportable death benefits

(1) In general

Every person who makes a payment of reportable death benefits during any taxable year shall make a return for such taxable year (at such time and in such manner as the Secretary shall prescribe) setting forth—

(A) the name, address, and TIN of the person making such payment,

(B) the name, address, and TIN of each recipient of such payment,

(C) the date of each such payment,

(D) the gross amount of each such payment, and

(E) such person’s estimate of the investment in the contract (as defined in section 72(e)(6)) with respect to the buyer.

(2) Statement to be furnished to persons with respect to whom information is required

Every person required to make a return under this subsection shall furnish to each person whose name is required to be set forth in such return a written statement showing—

(A) the name, address, and phone number of the information contact of the person required to make such return, and

(B) the information required to be shown on such return with respect to each recipient of payment whose name is required to be set forth in such return.

(d) Definitions

For purposes of this section:

(1) Payment

The term “payment” means, with respect to any reportable policy sale, the amount of cash and the fair market value of any consideration transferred in the sale.

(2) Reportable policy sale

The term “reportable policy sale” has the meaning given such term in section 101(a)(3)(B).

(3) Issuer

The term “issuer” means any life insurance company that bears the risk with respect to a life insurance contract on the date any return or statement is required to be made under this section.

(4) Reportable death benefits

The term “reportable death benefits” means amounts paid by reason of the death of the insured under a life insurance contract that has been transferred in a reportable policy sale.

(Added Pub. L. 115–97, title I, §13520(a), Dec. 22, 2017, 131 Stat. 2149.)

EFFECTIVE DATE

Section applicable to reportable policy sales (as defined in subsection (d)(2) of this section) after Dec. 31, 2017, and reportable death benefits (as defined in subsection (d)(4) of this section) paid after Dec. 31, 2017, see section 13520(d) of Pub. L. 115–97, set out as an Effective