

(A)(i) the partnership has filed a return but the partner's treatment on the partner's return is (or may be) inconsistent with the treatment of the item on the partnership return, or

(ii) the partnership has not filed a return, and

(B) the partner files with the Secretary a statement identifying the inconsistency,

subsections (a) and (b) shall not apply to such item.

**(2) Partner receiving incorrect information**

A partner shall be treated as having complied with subparagraph (B) of paragraph (1) with respect to an item if the partner—

(A) demonstrates to the satisfaction of the Secretary that the treatment of the item on the partner's return is consistent with the treatment of the item on the statement furnished to the partner by the partnership, and

(B) elects to have this paragraph apply with respect to that item.

**(d) Final decision on certain positions not binding on partnership**

Any final decision with respect to an inconsistent position identified under subsection (c) in a proceeding to which the partnership is not a party shall not be binding on the partnership.

**(e) Addition to tax for failure to comply with section**

For addition to tax in the case of a partner's disregard of the requirements of this section, see part II of subchapter A of chapter 68.

(Added Pub. L. 114-74, title XI, §1101(c)(1), Nov. 2, 2015, 129 Stat. 626; amended Pub. L. 115-141, div. U, title II, §201(c)(3), Mar. 23, 2018, 132 Stat. 1173.)

PRIOR PROVISIONS

A prior section 6222, added Pub. L. 97-248, title IV, §402(a), Sept. 3, 1982, 96 Stat. 648; amended Pub. L. 99-514, title XV, §1503(c)(1), Oct. 22, 1986, 100 Stat. 2743; Pub. L. 101-239, title VII, §7721(c)(7), Dec. 19, 1989, 103 Stat. 2400, required partner's return to be consistent with partnership return or Secretary to be notified of inconsistency, prior to repeal by Pub. L. 114-74, title XI, §1101(a), Nov. 2, 2015, 129 Stat. 625.

AMENDMENTS

2018—Subsec. (a). Pub. L. 115-141 amended subsec. (a) generally. Prior to amendment, text read as follows: "A partner shall, on the partner's return, treat each item of income, gain, loss, deduction, or credit attributable to a partnership in a manner which is consistent with the treatment of such income, gain, loss, deduction, or credit on the partnership return."

EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115-141 effective as if included in section 1101 of Pub. L. 114-74, see section 207 of Pub. L. 115-141, set out as a note under section 6031 of this title.

EFFECTIVE DATE

Section applicable to returns filed for partnership taxable years beginning after Dec. 31, 2017, with certain exceptions, see section 1101(g) of Pub. L. 114-74, set out as a note under section 6221 of this title.

**§ 6223. Partners bound by actions of partnership**

**(a) Designation of partnership representative**

Each partnership shall designate (in the manner prescribed by the Secretary) a partner (or other person) with a substantial presence in the United States as the partnership representative who shall have the sole authority to act on behalf of the partnership under this subchapter. In any case in which such a designation is not in effect, the Secretary may select any person as the partnership representative.

**(b) Binding effect**

A partnership and all partners of such partnership shall be bound—

(1) by actions taken under this subchapter by the partnership, and

(2) by any final decision in a proceeding brought under this subchapter with respect to the partnership.

(Added Pub. L. 114-74, title XI, §1101(c)(1), Nov. 2, 2015, 129 Stat. 627.)

PRIOR PROVISIONS

Prior sections 6223 and 6224 were repealed by Pub. L. 114-74, title XI, §1101(a), (g), Nov. 2, 2015, 129 Stat. 625, 638, applicable to returns filed for partnership taxable years beginning after Dec. 31, 2017.

Section 6223, added Pub. L. 97-248, title IV, §402(a), Sept. 3, 1982, 96 Stat. 649, related to notice to partners of proceedings.

Section 6224, added Pub. L. 97-248, title IV, §402(a), Sept. 3, 1982, 96 Stat. 651; amended Pub. L. 107-147, title IV, §416(d)(1)(A), Mar. 9, 2002, 116 Stat. 55, related to partner participation in administrative proceedings, waiver of partner's rights, and settlement agreements.

EFFECTIVE DATE

Section applicable to returns filed for partnership taxable years beginning after Dec. 31, 2017, with certain exceptions, see section 1101(g) of Pub. L. 114-74, set out as a note under section 6221 of this title.

PART II—PARTNERSHIP ADJUSTMENTS

Sec.

- 6225. Partnership adjustment by Secretary.
- 6226. Alternative to payment of imputed underpayment by partnership.
- 6227. Administrative adjustment request by partnership.

AMENDMENTS

2018—Pub. L. 115-141, div. U, title II, §206(p)(10), Mar. 23, 2018, 132 Stat. 1183, amended part II heading generally, reenacting heading without change.

**§ 6225. Partnership adjustment by Secretary**

**(a) In general**

In the case of any adjustments by the Secretary to any partnership-related items with respect to any reviewed year of a partnership—

(1) if such adjustments result in an imputed underpayment, the partnership shall pay an amount equal to such imputed underpayment in the adjustment year as provided in section 6232, and

(2) if such adjustments do not result in an imputed underpayment, such adjustments shall be taken into account by the partnership in the adjustment year.

**(b) Determination of imputed underpayments**

For purposes of this subchapter—