

**(f) Unrelated person**

For purposes of this subpart, the term “unrelated person” means a person other than a related person as defined in section 954(d)(3).

(Added Pub. L. 87-834, §12(a), Oct. 16, 1962, 76 Stat. 1029; amended Pub. L. 92-178, title V, § 505(c), Dec. 10, 1971, 85 Stat. 553.)

## AMENDMENTS

1971—Subsec. (a)(3). Pub. L. 92-178 added par. (3).

## TREATMENT OF CERTAIN FORMER EXPORT TRADE CORPORATIONS

Pub. L. 99-514, title XVIII, §1876(m), Oct. 22, 1986, 100 Stat. 2901, provided that: “If—

“(1) a corporation which is not an export trading corporation for its most recent taxable year ending before the date of the enactment of the Tax Reform Act of 1984 [July 18, 1984] but was an export trading corporation for any prior taxable year, and

“(2)(A) such corporation may not qualify as an export trade corporation for any taxable year beginning after December 31, 1984, by reason of section 971(a)(3) of the Internal Revenue Code of 1954 [now 1986], or (B) such corporation makes an election, before the date 6 months after the date of the enactment of this Act [Oct. 22, 1986], not to be treated as an export trade corporation with respect to taxable years beginning after December 31, 1984, rules similar to the rules of paragraphs (2) and (4) of section 805(b) of the Tax Reform Act of 1984 [set out as a note under section 991 of this title] shall apply to such corporation. For purposes of the preceding sentence, the term ‘export trade corporation’ has the meaning given such term by section 971 of such Code.”

**[§ 972. Repealed. Pub. L. 94-455, title XIX, § 1901(a)(120), Oct. 4, 1976, 90 Stat. 1784]**

Section, Pub. L. 87-834, §12(a), Oct. 16, 1962, 76 Stat. 1031, related to the consolidation of a group of export trade corporations for treatment as a single controlled foreign corporation for tax purposes.

## [SUBPART H—REPEALED]

**[§ 981. Repealed. Pub. L. 94-455, title X, § 1012(b)(2), Oct. 4, 1976, 90 Stat. 1614]**

Section, Pub. L. 89-809, title I, §105(e)(1), Nov. 13, 1966, 80 Stat. 1565, related to income of certain nonresident United States citizens subject to foreign community property laws.

## SUBPART I—ADMISSIBILITY OF DOCUMENTATION MAINTAINED IN FOREIGN COUNTRIES

Sec. 982. Admissibility of documentation maintained in foreign countries.

## AMENDMENTS

1982—Pub. L. 97-248, title III, §337(a), Sept. 3, 1982, 96 Stat. 629, added subpart I and item 982.

**§ 982. Admissibility of documentation maintained in foreign countries****(a) General rule**

If the taxpayer fails to substantially comply with any formal document request arising out of the examination of the tax treatment of any item (hereinafter in this section referred to as the “examined item”) before the 90th day after the date of the mailing of such request on motion by the Secretary, any court having jurisdiction of a civil proceeding in which the tax treat-

ment of the examined item is an issue shall prohibit the introduction by the taxpayer of any foreign-based documentation covered by such request.

**(b) Reasonable cause exception****(1) In general**

Subsection (a) shall not apply with respect to any documentation if the taxpayer establishes that the failure to provide the documentation as requested by the Secretary is due to reasonable cause.

**(2) Foreign nondisclosure law not reasonable cause**

For purposes of paragraph (1), the fact that a foreign jurisdiction would impose a civil or criminal penalty on the taxpayer (or any other person) for disclosing the requested documentation is not reasonable cause.

**(c) Formal document request**

For purposes of this section—

**(1) Formal document request**

The term “formal document request” means any request (made after the normal request procedures have failed to produce the requested documentation) for the production of foreign-based documentation which is mailed by registered or certified mail to the taxpayer at his last known address and which sets forth—

(A) the time and place for the production of the documentation,

(B) a statement of the reason the documentation previously produced (if any) is not sufficient,

(C) a description of the documentation being sought, and

(D) the consequences to the taxpayer of the failure to produce the documentation described in subparagraph (C).

**(2) Proceeding to quash****(A) In general**

Notwithstanding any other law or rule of law, any person to whom a formal document request is mailed shall have the right to begin a proceeding to quash such request not later than the 90th day after the day such request was mailed. In any such proceeding, the Secretary may seek to compel compliance with such request.

**(B) Jurisdiction**

The United States district court for the district in which the person (to whom the formal document request is mailed) resides or is found shall have jurisdiction to hear any proceeding brought under subparagraph (A). An order denying the petition shall be deemed a final order which may be appealed.

**(C) Suspension of 90-day period**

The running of the 90-day period referred to in subsection (a) shall be suspended during any period during which a proceeding brought under subparagraph (A) is pending.

**(d) Definitions and special rules**

For purposes of this section—

**(1) Foreign-based documentation**

The term “foreign-based documentation” means any documentation which is outside