

- Part II. Partnership adjustments.
- III. Procedure.
- IV. Definitions and special rules.

PRIOR PROVISIONS

A prior subchapter C, added Pub. L. 97-248, title IV, §402(a), Sept. 3, 1982, 96 Stat. 648, consisting of sections 6221 to 6234, related to tax treatment of partnership items, prior to repeal 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, with certain exceptions.

PART I—IN GENERAL

- Sec. 6221. Determination at partnership level.
- 6222. Partner's return must be consistent with partnership return.
- 6223. Designation of partnership representative.<sup>1</sup>

AMENDMENTS

2018—Pub. L. 115-141, div. U, title II, §206(p)(9), Mar. 23, 2018, 132 Stat. 1182, 129 Stat. 625, amended part I heading generally, reenacting heading without change.

**§ 6221. Determination at partnership level**

**(a) In general**

Any adjustment to a partnership-related item shall be determined, and any tax attributable thereto shall be assessed and collected, and the applicability of any penalty, addition to tax, or additional amount which relates to an adjustment to any such item shall be determined, at the partnership level, except to the extent otherwise provided in this subchapter.

**(b) Election out for certain partnerships with 100 or fewer partners, etc.**

**(1) In general**

This subchapter shall not apply with respect to any partnership for any taxable year if—

(A) the partnership elects the application of this subsection for such taxable year,

(B) for such taxable year the partnership is required to furnish 100 or fewer statements under section 6031(b) with respect to its partners,

(C) each of the partners of such partnership is an individual, a C corporation, any foreign entity that would be treated as a C corporation were it domestic, an S corporation, or an estate of a deceased partner,

(D) the election—

(i) is made with a timely filed return for such taxable year, and

(ii) includes (in the manner prescribed by the Secretary) a disclosure of the name and taxpayer identification number of each partner of such partnership, and

(E) the partnership notifies each such partner of such election in the manner prescribed by the Secretary.

**(2) Special rules relating to certain partners**

**(A) S corporation partners**

In the case of a partner that is an S corporation—

(i) the partnership shall only be treated as meeting the requirements of paragraph

(1)(C) with respect to such partner if such partnership includes (in the manner prescribed by the Secretary) a disclosure of the name and taxpayer identification number of each person with respect to whom such S corporation is required to furnish a statement under section 6037(b) for the taxable year of the S corporation ending with or within the partnership taxable year for which the application of this subsection is elected, and

(ii) the statements such S corporation is required to so furnish shall be treated as statements furnished by the partnership for purposes of paragraph (1)(B).

**(B) Foreign partners**

For purposes of paragraph (1)(D)(ii), the Secretary may provide for alternative identification of any foreign partners.

**(C) Other partners**

The Secretary may by regulation or other guidance prescribe rules similar to the rules of subparagraph (A) with respect to any partners not described in such subparagraph or paragraph (1)(C).

(Added Pub. L. 114-74, title XI, §1101(c)(1), Nov. 2, 2015, 129 Stat. 625; amended Pub. L. 115-141, div. U, title II, §201(c)(2), Mar. 23, 2018, 132 Stat. 1173.)

PRIOR PROVISIONS

A prior section 6221, added Pub. L. 97-248, title IV, §402(a), Sept. 3, 1982, 96 Stat. 648; amended Pub. L. 105-34, title XII, §1238(a), Aug. 5, 1997, 111 Stat. 1026, related to tax treatment determined at partnership level, 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: “Any adjustment to items of income, gain, loss, deduction, or credit of a partnership for a partnership taxable year (and any partner’s distributive share thereof) shall be determined, any tax attributable thereto shall be assessed and collected, and the applicability of any penalty, addition to tax, or additional amount which relates to an adjustment to any such item or share shall be determined, at the partnership level pursuant to this subchapter.”

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

Pub. L. 114-74, title XI, §1101(g), Nov. 2, 2015, 129 Stat. 638, provided that:

“(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section [enacting this subchapter, amending sections 6031, 6330, 6422, 6501, 6503, 6504, 6511, 6512, 6515, 6601, 7421, 7422, 7459, 7482, and 7485 of this title, and repealing this subchapter, subchapter D of this chapter, and part IV of subchapter K of chapter 1 of this title] shall apply to returns filed for partnership taxable years beginning after December 31, 2017.

“(2) ADMINISTRATIVE ADJUSTMENT REQUESTS.—In the case of [an] administrative adjustment request under section 6227 of such Code [Internal Revenue Code of 1986], the amendments made by this section shall apply

<sup>1</sup> So in original. Does not conform to section catchline.