

§ 1231. Special tax provisions

(a) The issuance, transfer, or exchange of a security, or the making or delivery of an instrument of transfer under a plan confirmed under section 1225 of this title, may not be taxed under any law imposing a stamp tax or similar tax.

(b) The court may authorize the proponent of a plan to request a determination, limited to questions of law, by any governmental unit charged with responsibility for collection or determination of a tax on or measured by income, of the tax effects, under section 346 of this title and under the law imposing such tax, of the plan. In the event of an actual controversy, the court may declare such effects after the earlier of—

(1) the date on which such governmental unit responds to the request under this subsection; or

(2) 270 days after such request.

(Added and amended Pub. L. 99-554, title II, § 255, title III, § 302(f), Oct. 27, 1986, 100 Stat. 3113, 3124; Pub. L. 103-65, § 1, Aug. 6, 1993, 107 Stat. 311; Pub. L. 105-277, div. C, title I, § 149(a), Oct. 21, 1998, 112 Stat. 2681-610; Pub. L. 106-5, § 1(1), (2), Mar. 30, 1999, 113 Stat. 9; Pub. L. 106-70, § 1, Oct. 9, 1999, 113 Stat. 1031; Pub. L. 107-8, § 1, May 11, 2001, 115 Stat. 10; Pub. L. 107-17, § 1, June 26, 2001, 115 Stat. 151; Pub. L. 107-170, § 1, May 7, 2002, 116 Stat. 133; Pub. L. 107-171, title X, § 10814(a), May 13, 2002, 116 Stat. 532; Pub. L. 107-377, § 2(a), Dec. 19, 2002, 116 Stat. 3115; Pub. L. 108-73, § 2(a), Aug. 15, 2003, 117 Stat. 891; Pub. L. 108-369, § 2(a), Oct. 25, 2004, 118 Stat. 1749; Pub. L. 109-8, title VII, § 719(b)(4), title X, §§ 1001(a)(1), (c), 1003(b), Apr. 20, 2005, 119 Stat. 133, 185, 186.)

Editorial Notes**CODIFICATION**

For repeal of section effective Oct. 1, 1998, and subsequent reenactment of section, see note set out preceding section 1201 of this title.

AMENDMENTS

2005—Subsec. (a). Pub. L. 109-8, § 719(b)(4), redesignated subsec. (c) as (a) and struck out former subsec. (a) which read as follows: “For the purpose of any State or local law imposing a tax on or measured by income, the taxable period of a debtor that is an individual shall terminate on the date of the order for relief under this chapter, unless the case was converted under section 706 of this title.”

Subsec. (b). Pub. L. 109-8, § 1003(b), substituted “any governmental unit” for “a State or local governmental unit”.

Pub. L. 109-8, § 719(b)(4), redesignated subsec. (d) as (b) and struck out former subsec. (b) which read as follows: “The trustee shall make a State or local tax return of income for the estate of an individual debtor in a case under this chapter for each taxable period after the order for relief under this chapter during which the case is pending.”

Subsecs. (c), (d). Pub. L. 109-8, § 719(b)(4)(B), redesignated subsecs. (c) and (d) as (a) and (b), respectively.

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 2005 AMENDMENT**

Amendment by section 1003(b) of Pub. L. 109-8 effective Apr. 20, 2005, and not applicable with respect to cases commenced under this title before Apr. 20, 2005, see section 1003(c) of Pub. L. 109-8, set out as a note under section 1222 of this title.

Amendment by section 719(b)(4) of Pub. L. 109-8 effective 180 days after Apr. 20, 2005, and not applicable with respect to cases commenced under this title before such effective date, except as otherwise provided, see section 1501 of Pub. L. 109-8, set out as a note under section 101 of this title.

EFFECTIVE DATES

Permanent reenactment of section effective July 1, 2005, see section 1001(a)(2) of Pub. L. 109-8, set out as a Repeal, Reenactment, and Termination of Chapter note under section 1201 of this title. For effective dates of section and amendments extending periods for which section was reenacted prior to permanent reenactment, see Effective Date and Effective Date of 1999, 2001, 2002, 2003, and 2004 Amendment notes set out under section 1201 of this title.

§ 1232. Claim by a governmental unit based on the disposition of property used in a farming operation

(a) Any unsecured claim of a governmental unit against the debtor or the estate that arises before the filing of the petition, or that arises after the filing of the petition and before the debtor's discharge under section 1228, as a result of the sale, transfer, exchange, or other disposition of any property used in the debtor's farming operation—

(1) shall be treated as an unsecured claim arising before the date on which the petition is filed;

(2) shall not be entitled to priority under section 507;

(3) shall be provided for under a plan; and

(4) shall be discharged in accordance with section 1228.

(b) For purposes of applying sections 1225(a)(4), 1228(b)(2), and 1229(b)(1) to a claim described in subsection (a) of this section, the amount that would be paid on such claim if the estate of the debtor were liquidated in a case under chapter 7 of this title shall be the amount that would be paid by the estate in a chapter 7 case if the claim were an unsecured claim arising before the date on which the petition was filed and were not entitled to priority under section 507.

(c) For purposes of applying sections 523(a), 1228(a)(2), and 1228(c)(2) to a claim described in subsection (a) of this section, the claim shall not be treated as a claim of a kind specified in subparagraph (A) or (B) of section 523(a)(1).

(d)(1) A governmental unit may file a proof of claim for a claim described in subsection (a) that arises after the date on which the petition is filed.

(2) If a debtor files a tax return after the filing of the petition for a period in which a claim described in subsection (a) arises, and the claim relates to the tax return, the debtor shall serve notice of the claim on the governmental unit charged with the responsibility for the collection of the tax at the address and in the manner designated in section 505(b)(1). Notice under this paragraph shall state that the debtor has filed a petition under this chapter, state the name and location of the court in which the case under this chapter is pending, state the amount of the claim, and include a copy of the filed tax return and documentation supporting the calculation of the claim.

(3) If notice of a claim has been served on the governmental unit in accordance with para-