

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-369 applicable to taxable years beginning after Dec. 31, 1983, see section 215 of Pub. L. 98-369, set out as an Effective Date note under section 801 of this title.

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by Pub. L. 94-455 effective on first day of first month which begins more than 90 days after Oct. 4, 1976, see section 1904(d) of Pub. L. 94-455, set out as a note under section 4041 of this title.

EFFECTIVE DATE OF 1965 AMENDMENT

Amendment by Pub. L. 89-44 applicable with respect to policies, bonds, and contracts with respect to which the tax imposed by this section is required to be paid on the basis of a return, see section 804(c) of Pub. L. 89-44, set out as a note under section 4374 of this title.

EFFECTIVE DATE OF 1959 AMENDMENT

Amendment by Pub. L. 86-69 applicable only with respect to taxable years beginning after Dec. 31, 1957, see section 4 of Pub. L. 86-69, set out as an Effective Date note under section 381 of this title.

EFFECTIVE DATE OF 1958 AMENDMENT

Amendment by Pub. L. 85-859 effective on first day of first calendar quarter which begins more than 60 days after Sept. 2, 1958, see section 1(c) of Pub. L. 85-859, Sept. 2, 1958, 72 Stat. 1275.

EFFECTIVE DATE OF 1956 AMENDMENT

Amendment by act Mar. 13, 1956, applicable only to taxable years beginning after Dec. 31, 1954, see section 6 of act Mar. 13, 1956, set out as a note under section 316 of this title.

§ 4372. Definitions

(a) Foreign insurer or reinsurer

For purposes of section 4371, the term “foreign insurer or reinsurer” means an insurer or reinsurer who is a nonresident alien individual, or a foreign partnership, or a foreign corporation. The term includes a nonresident alien individual, foreign partnership, or foreign corporation which shall become bound by an obligation of the nature of an indemnity bond. The term does not include a foreign government, or municipal or other corporation exercising the taxing power.

(b) Policy of casualty insurance

For purposes of section 4371(1), the term “policy of casualty insurance” means any policy (other than life) or other instrument by whatever name called whereby a contract of insurance is made, continued, or renewed.

(c) Indemnity bond

For purposes of this chapter, the term “indemnity bond” means any instrument by whatever name called whereby an obligation of the nature of an indemnity, fidelity, or surety bond is made, continued, or renewed. The term includes any bond for indemnifying any person who shall have become bound or engaged as surety, and any bond for the due execution or performance of any contract, obligation, or requirement, or the duties of any office or position, and to account for money received by virtue thereof, where a premium is charged for the execution of such bond.

(d) Insured

For purposes of section 4371(1), the term “insured” means—

(1) a domestic corporation or partnership, or an individual resident of the United States, against, or with respect to, hazards, risks, losses, or liabilities wholly or partly within the United States, or

(2) a foreign corporation, foreign partnership, or nonresident individual, engaged in a trade or business within the United States, against, or with respect to, hazards, risks, losses, or liabilities within the United States.

(e) Policy of life, sickness, or accident insurance, or annuity contract

For the purpose of section 4371(2), the term “policy of life, sickness, or accident insurance, or annuity contract” means any policy or other instrument by whatever name called whereby a contract of insurance or an annuity contract is made, continued, or renewed with respect to the life or hazards to the person of a citizen or resident of the United States.

(f) Policy of reinsurance

For the purpose of section 4371(3), the term “policy of reinsurance” means any policy or other instrument by whatever name called whereby a contract of reinsurance is made, continued, or renewed against, or with respect to, any of the hazards, risks, losses, or liabilities covered by contracts taxable under paragraph (1) or (2) of section 4371.

(Aug. 16, 1954, ch. 736, 68A Stat. 521; Pub. L. 85-859, title I, §141(a), Sept. 2, 1958, 72 Stat. 1300; Pub. L. 94-455, title XIX, §1904(a)(12), Oct. 4, 1976, 90 Stat. 1812.)

Editorial Notes

AMENDMENTS

1976—Subsec. (a). Pub. L. 94-455 substituted “section 4371” for “this subchapter”, and inserted provision that term does not include a foreign government, or municipal or other corporation exercising the taxing power.

Subsec. (c). Pub. L. 94-455 substituted “this chapter” for “this subchapter”.

1958—Subsec. (d)(2). Pub. L. 85-859 substituted “against, or with respect to, hazards, risks, losses, or liabilities” for “with respect to hazards, risks, or liabilities”.

Statutory Notes and Related Subsidiaries

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EFFECTIVE DATE OF 1958 AMENDMENT

Amendment by Pub. L. 85-859 effective on first day of first calendar quarter which begins more than 60 days after Sept. 2, 1958, see section 1(c) of Pub. L. 85-859, Sept. 2, 1958, 72 Stat. 1275.

§ 4373. Exemptions

The tax imposed by section 4371 shall not apply to—

(1) Effectively connected items

Any amount which is effectively connected with the conduct of a trade or business within the United States unless such amount is exempt from the application of section 882(a)