

this section [enacting this section and amending section 6724 of this title] shall apply to acquisitions after the date of the enactment of this Act [Oct. 22, 2004].”

§ 6044. Returns regarding payments of patronage dividends

(a) Requirement of reporting

(1) In general

Except as otherwise provided in this section, every cooperative to which part I of subchapter T of chapter 1 applies, which makes payments of amounts described in subsection (b) aggregating \$10 or more to any person during any calendar year, shall make a return according to the forms or regulations prescribed by the Secretary, setting forth the aggregate amount of such payments and the name and address of the person to whom paid.

(2) Returns required by the Secretary

Every such cooperative which makes payments of amounts described in subsection (b) aggregating less than \$10 to any person during any calendar year shall, when required by the Secretary, make a return setting forth the aggregate amount of such payments and the name and address of the person to whom paid.

(b) Amounts subject to reporting

(1) General rule

Except as otherwise provided in this section, the amounts subject to reporting under subsection (a) are—

(A) the amount of any patronage dividend (as defined in section 1388(a)) which is paid in money, qualified written notices of allocation (as defined in section 1388(c)), or other property (except nonqualified written notices of allocation as defined in section 1388(d)),

(B) any amount described in section 1382(c)(2)(A) (relating to certain nonpatronage distributions) which is paid in money, qualified written notices of allocation, or other property (except nonqualified written notices of allocation) by an organization exempt from tax under section 521 (relating to exemption of farmers' cooperatives from tax),

(C) any amount described in section 1382(b)(2) (relating to redemption of nonqualified written notices of allocation) and, in the case of an organization described in section 1381(a)(1), any amount described in section 1382(c)(2)(B) (relating to redemption of nonqualified written notices of allocation paid with respect to earnings derived from sources other than patronage), and

(D) the amount of any per-unit retain allocation (as defined in section 1388(f)) which is paid in qualified per-unit retain certificates (as defined in section 1388(h)), and

(E) any amount described in section 1382(b)(4) (relating to redemption of nonqualified per-unit retain certificates).

(2) Exceptions

The provisions of subsection (a) shall not apply, to the extent provided in regulations prescribed by the Secretary, to any payment—

(A) by a foreign corporation, or

(B) to a foreign corporation, a nonresident alien, or a partnership not engaged in trade or business in the United States and composed in whole or in part of nonresident aliens.

(c) Exemption for certain consumer cooperatives

A cooperative which the Secretary determines is primarily engaged in selling at retail goods or services of a type that are generally for personal, living, or family use shall, upon application to the Secretary, be granted exemption from the reporting requirements imposed by subsection (a). Application for exemption under this subsection shall be made in accordance with regulations prescribed by the Secretary.

(d) Determination of amount paid

For purposes of this section, in determining the amount of any payment—

(1) property (other than a qualified written notice of allocation or a qualified per-unit retain certificate) shall be taken into account at its fair market value, and

(2) a qualified written notice of allocation or a qualified per-unit retain certificate shall be taken into account at its stated dollar amount.

(e) Statements to be furnished to persons with respect to whom information is required

Every cooperative required to make a return under subsection (a) shall furnish to each person whose name is required to be set forth in such return a written statement showing—

(1) the name, address, and phone number of the information contact of the cooperative required to make such return, and

(2) the aggregate amount of payments to the person required to be shown on the return.

The written statement required under the preceding sentence shall be furnished (either in person or in a statement mailing by first-class mail which includes adequate notice that the statement is enclosed) to the person on or before January 31 of the year following the calendar year for which the return under subsection (a) was required to be made and shall be in such form as the Secretary may prescribe by regulations.

(Aug. 16, 1954, ch. 736, 68A Stat. 746; Pub. L. 87-834, §19(b), Oct. 16, 1962, 76 Stat. 1054; Pub. L. 89-809, title II, §211(d), Nov. 13, 1966, 80 Stat. 1584; Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 97-248, title III, §§304, 308(a), Sept. 3, 1982, 96 Stat. 587, 591; Pub. L. 98-67, title I, §§102(a), 108(c), Aug. 5, 1983, 97 Stat. 369, 383; Pub. L. 99-514, title XV, §1501(c)(3), Oct. 22, 1986, 100 Stat. 2737; Pub. L. 104-168, title XII, §1201(a)(4), July 30, 1996, 110 Stat. 1469.)

Editorial Notes

AMENDMENTS

1996—Subsec. (e)(1). Pub. L. 104-168 substituted “name, address, and phone number of the information contact” for “name and address”.

1986—Subsec. (e). Pub. L. 99-514, in amending subsec. (e) generally, substituted “information is required” for “information is furnished” in heading and, in text, substituted references to persons required to make a return for former references to persons making a return and struck out provision directing that no statement

was required if the aggregate amount of payments made to the person as shown on the return was less than \$10.

1983—Pub. L. 98-67 substituted in subsec. (e) “The written statement required under the preceding sentence shall be furnished (either in person or in a separate mailing by first-class mail) to the person on or before January 31 of the year following the calendar year for which the return under subsection (a) was made, and shall be in such form as the Secretary may prescribe by regulations” for “The written statement required under the preceding sentence shall be furnished to the person on or before January 31 of the year following the calendar year for which the return under subsection (a)(1) was made” and repealed amendments made by Pub. L. 97-248. See 1982 Amendment note below.

1982—Subsecs. (a)(1), (b)(1), (e), (f). Pub. L. 97-248 provided that, applicable to payments of interest, dividends, and patronage dividends paid or credited after June 30, 1983, subsecs. (a)(1), (b)(1), and (e) are amended and a new subsec. (f) is added. Section 102(a), (b) of Pub. L. 98-67, title I, Aug. 5, 1983, 97 Stat. 369, repealed subtitle A (§§301-308) of Pub. L. 97-248 as of the close of June 30, 1983, and provided that the Internal Revenue Code of 1954 [now 1986] [this title] shall be applied and administered (subject to certain exceptions) as if such subtitle A (and the amendments made by such subtitle A) had not been enacted.

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary” wherever appearing.

1966—Subsec. (b)(1). Pub. L. 89-809, §211(d)(1), added subpars. (D) and (E).

Subsec. (d). Pub. L. 89-809, §211(d)(2), inserted references to qualified per-unit retain certificates.

1962—Pub. L. 87-834 substituted “Returns regarding payments of patronage dividends” for “Returns regarding patronage dividends” in section catchline and amended text generally. Prior to amendment, text read as follows:

“(a) PAYMENTS OF \$100 OR MORE.—Any corporation allocating amounts as patronage dividends, rebates, or refunds (whether in cash, merchandise, capital stock, revolving fund certificates, retain certificates, certificates of indebtedness, letters of advice, or in some other manner that discloses to each patron the amount of such dividend, refund, or rebate) shall make a return showing—

“(1) The name and address of each patron to whom it has made such allocations amounting to \$100 or more during the calendar year; and

“(2) The amount of such allocations to each patron.

“(b) PAYMENTS REGARDLESS OF AMOUNT.—If required by the Secretary or his delegate, any such corporation shall make a return of all patronage dividends, rebates, or refunds made during the calendar year to its patrons.

“(c) EXCEPTIONS.—This section shall not apply in the case of any corporation (including any cooperative or nonprofit corporation engaged in rural electrification) described in section 501(c)(12) or (15) which is exempt from tax under section 501(a), or in the case of any corporation subject to a tax imposed by subchapter L of chapter 1.”

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104-168 applicable to statements required to be furnished after Dec. 31, 1996 (determined without regard to any extension), see section 1201(b) of Pub. L. 104-168, set out as a note under section 6041 of this title.

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by Pub. L. 99-514 applicable to returns the due date for which (determined without regard to extensions) is after Oct. 22, 1986, see section 1501(e) of Pub. L. 99-514, set out as an Effective Date note under section 6721 of this title.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by section 108(c) of Pub. L. 98-67 applicable with respect to payments made after Dec. 31, 1983, see section 110(a) of Pub. L. 98-67, set out as a note under section 31 of this title.

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89-809 applicable with respect to calendar years after 1966, see section 211(e)(2) of Pub. L. 89-809, set out as a note under section 1382 of this title.

EFFECTIVE DATE OF 1962 AMENDMENT

Amendment by Pub. L. 87-834 applicable to payments of dividends and interest made on or after Jan. 1, 1963, and to payments of amounts described in subsection (b) of this section made on or after Jan. 1, 1963, with respect to patronage occurring on or after the first day of the first taxable year of the cooperative beginning on or after Jan. 1, 1963, see section 19(h) of Pub. L. 87-834, set out as a note under section 6042 of this title.

§ 6045. Returns of brokers

(a) General rule

Every person doing business as a broker shall, when required by the Secretary, make a return, in accordance with such regulations as the Secretary may prescribe, showing the name and address of each customer, with such details regarding gross proceeds and such other information as the Secretary may by forms or regulations require with respect to such business.

(b) Statements to be furnished to customers

Every person required to make a return under subsection (a) shall furnish to each customer whose name is required to be set forth in such return a written statement showing—

(1) the name, address, and phone number of the information contact of the person required to make such return, and

(2) the information required to be shown on such return with respect to such customer.

The written statement required under the preceding sentence shall be furnished to the customer on or before February 15 of the year following the calendar year for which the return under subsection (a) was required to be made. In the case of a consolidated reporting statement (as defined in regulations) with respect to any customer, any statement which would otherwise be required to be furnished on or before January 31 of a calendar year with respect to any item reportable to the taxpayer shall instead be required to be furnished on or before February 15 of such calendar year if furnished with such consolidated reporting statement.

(c) Definitions

For purposes of this section—

(1) Broker

The term “broker” includes—

(A) a dealer,

(B) a barter exchange, and

(C) any other person who (for a consideration) regularly acts as a middleman with respect to property or services.

A person shall not be treated as a broker with respect to activities consisting of managing a farm on behalf of another person.

(2) Customer

The term “customer” means any person for whom the broker has transacted any business.