

§ 6050U. Charges or payments for qualified long-term care insurance contracts under combined arrangements

(a) Requirement of reporting

Any person who makes a charge against the cash value of an annuity contract, or the cash surrender value of a life insurance contract, which is excludible from gross income under section 72(e)(11) shall make a return, according to the forms or regulations prescribed by the Secretary, setting forth—

- (1) the amount of the aggregate of such charges against each such contract for the calendar year,
- (2) the amount of the reduction in the investment in each such contract by reason of such charges, and
- (3) the name, address, and TIN of the individual who is the holder of each such contract.

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

Every person required to make a return under subsection (a) shall furnish to each individual 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 making the payments, and
- (2) the information required to be shown on the return with respect to such individual.

The written statement required under the preceding sentence shall be furnished to the individual on or before January 31 of the year following the calendar year for which the return under subsection (a) was required to be made.

(Added Pub. L. 109-280, title VIII, §844(d)(1), Aug. 17, 2006, 120 Stat. 1012.)

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE

Section applicable to contracts issued after Dec. 31, 1996, but only with respect to taxable years beginning after Dec. 31, 2009, and to charges made after Dec. 31, 2009, see section 844(g)(1), (3) of Pub. L. 109-280, set out as an Effective Date of 2006 Amendment note under section 72 of this title.

§ 6050V. Returns relating to applicable insurance contracts in which certain exempt organizations hold interests

(a) In general

Each applicable exempt organization which makes a reportable acquisition shall make the return described in subsection (c).

(b) Time for making return

Any applicable exempt organization required to make a return under subsection (a) shall file such return at such time as may be established by the Secretary.

(c) Form and manner of returns

A return is described in this subsection if such return—

- (1) is in such form as the Secretary prescribes,
- (2) contains the name, address, and taxpayer identification number of the applicable ex-

empt organization and the issuer of the applicable insurance contract, and

(3) contains such other information as the Secretary may prescribe.

(d) Definitions

For purposes of this section—

(1) Reportable acquisition

The term “reportable acquisition” means the acquisition by an applicable exempt organization of a direct or indirect interest in any applicable insurance contract in any case in which such acquisition is a part of a structured transaction involving a pool of such contracts.

(2) Applicable insurance contract

(A) In general

The term “applicable insurance contract” means any life insurance, annuity, or endowment contract with respect to which both an applicable exempt organization and a person other than an applicable exempt organization have directly or indirectly held an interest in the contract (whether or not at the same time).

(B) Exceptions

Such term shall not include a life insurance, annuity, or endowment contract if—

- (i) all persons directly or indirectly holding any interest in the contract (other than applicable exempt organizations) have an insurable interest in the insured under the contract independent of any interest of an applicable exempt organization in the contract,
- (ii) the sole interest in the contract of an applicable exempt organization or each person other than an applicable exempt organization is as a named beneficiary, or
- (iii) the sole interest in the contract of each person other than an applicable exempt organization is—

(I) as a beneficiary of a trust holding an interest in the contract, but only if the person’s designation as such beneficiary was made without consideration and solely on a purely gratuitous basis, or

(II) as a trustee who holds an interest in the contract in a fiduciary capacity solely for the benefit of applicable exempt organizations or persons otherwise described in subclause (I) or clause (i) or (ii).

(3) Applicable exempt organization

The term “applicable exempt organization” means—

- (A) an organization described in section 170(c),
- (B) an organization described in section 168(h)(2)(A)(iv), or
- (C) an organization not described in paragraph (1) or (2) which is described in section 2055(a) or section 2522(a).

(e) Termination

This section shall not apply to reportable acquisitions occurring after the date which is 2 years after the date of the enactment of this section.