

(6) Listed transactions

If a partnership fails to include on any return or statement any information with respect to a listed transaction as described in section 6501(c)(10), the time for making any adjustment under this subchapter with respect to such transaction shall not expire before the date that is determined under section 6501(c)(10).

(Added Pub. L. 114-74, title XI, §1101(c)(1), Nov. 2, 2015, 129 Stat. 635; amended Pub. L. 114-113, div. Q, title IV, §411(c), Dec. 18, 2015, 129 Stat. 3122; Pub. L. 115-141, div. U, title II, §206(k), Mar. 23, 2018, 132 Stat. 1180.)

Editorial Notes

AMENDMENTS

2018—Subsec. (a). Pub. L. 115-141, §206(k)(1), inserted “or section 905(c)” after “Except as otherwise provided in this section” and substituted “subchapter” for “subpart” in introductory provisions.

Subsec. (a)(3). Pub. L. 115-141, §206(k)(2), substituted “section 6225(c)(7)” for “section 6225(c)(7)”.

Subsec. (c)(2). Pub. L. 115-141, §206(k)(3), substituted “subparagraph (A) or (C) of section 6501(e)(1)” for “section 6501(e)(1)(A)”.

Subsec. (c)(5), (6). Pub. L. 115-141, §206(k)(4), added pars. (5) and (6).

Subsec. (d). Pub. L. 115-141, §206(k)(5), struck out subsec. (d). Text read as follows: “If notice of a final partnership adjustment with respect to any taxable year is mailed under section 6231, the running of the period specified in subsection (a) (as modified by the other provisions of this section) shall be suspended—

“(1) for the period during which an action may be brought under section 6234 (and, if a petition is filed under such section with respect to such notice, until the decision of the court becomes final), and

“(2) for 1 year thereafter.”

2015—Subsec. (a)(2). Pub. L. 114-113, §411(c)(1), substituted “paragraph (7)” for “paragraph (4)”.

Subsec. (a)(3). Pub. L. 114-113, §411(c)(2), substituted “330 days (plus the number of days of any extension consented to by the Secretary under section 6225(c)(7))” for “270 days”.

Statutory Notes and Related Subsidiaries

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 OF 2015 AMENDMENT

Amendment by Pub. L. 114-113 effective as if included in section 1101 of Pub. L. 114-74, see section 411(e) of Pub. L. 114-113, set out as a note under section 6031 of this title.

EFFECTIVE DATE

Section applicable to returns filed for partnership taxable years beginning after Dec. 31, 2017, with certain exceptions, see section 1101(g) of Pub. L. 114-74, set out as a note under section 6221 of this title.

PART IV—DEFINITIONS AND SPECIAL RULES

Sec. 6241. Definitions and special rules.

Editorial Notes

PRIOR PROVISIONS

A prior subchapter D, Treatment of Electing Large Partnerships, consisted of sections 6240 to 6255, prior to

repeal by Pub. L. 114-74, title XI, §1101(b)(2), (g), Nov. 2, 2015, 129 Stat. 625, 638, applicable to returns filed for partnership taxable years beginning after Dec. 31, 2017.

Section 6240, added Pub. L. 105-34, title XII, §1222(a), Aug. 5, 1997, 111 Stat. 1009, related to application of subchapter D to electing large partnerships and partners in such partnerships.

Another prior subchapter D, Tax Treatment of Subchapter S Items, consisted of sections 6241 to 6245, prior to repeal by Pub. L. 104-188, title I, §1307(c)(1), Aug. 20, 1996, 110 Stat. 1781.

AMENDMENTS

2018—Pub. L. 115-141, div. U, title II, §206(p)(12), Mar. 23, 2018, 132 Stat. 1183, amended part heading generally, substituting “PART IV—DEFINITIONS AND SPECIAL RULES” for “PART 2—DEFINITIONS AND SPECIAL RULES”.

§ 6241. Definitions and special rules

For purposes of this subchapter—

(1) Partnership

The term “partnership” means any partnership required to file a return under section 6031(a).

(2) Partnership adjustment**(A) In general**

The term “partnership adjustment” means any adjustment to a partnership-related item.

(B) Partnership-related item

The term “partnership-related item” means—

(i) any item or amount with respect to the partnership (without regard to whether or not such item or amount appears on the partnership’s return and including an imputed underpayment and any item or amount relating to any transaction with, basis in, or liability of, the partnership) which is relevant (determined without regard to this subchapter) in determining the tax liability of any person under chapter 1, and

(ii) any partner’s distributive share of any item or amount described in clause (i).

(3) Return due date

The term “return due date” means, with respect to the taxable year, the date prescribed for filing the partnership return for such taxable year (determined without regard to extensions).

(4) Payments nondeductible

No deduction shall be allowed under subtitle A for any payment required to be made by a partnership under this subchapter.

(5) Partnerships having principal place of business outside United States

For purposes of section 6234, a principal place of business located outside the United States shall be treated as located in the District of Columbia.

(6) Partnerships in cases under title 11 of United States Code**(A) Suspension of period of limitations on making adjustment, assessment, or collection**

The running of any period of limitations provided in this subchapter on making a

partnership adjustment (or provided by section 6501 or 6502 on the assessment or collection of any imputed underpayment determined under this subchapter) shall, in a case under title 11 of the United States Code, be suspended during the period during which the Secretary is prohibited by reason of such case from making the adjustment (or assessment or collection) and—

- (i) for adjustment or assessment, 60 days thereafter, and
- (ii) for collection, 6 months thereafter.

A rule similar to the rule of section 6213(f)(2) shall apply for purposes of section 6232(b).

(B) Suspension of period of limitation for filing for judicial review

The running of the period specified in section 6234 shall, in a case under title 11 of the United States Code, be suspended during the period during which the partnership is prohibited by reason of such case from filing a petition under section 6234 and for 60 days thereafter.

(7) Treatment where partnership ceases to exist

If a partnership ceases to exist before a partnership adjustment under this subchapter takes effect, such adjustment shall be taken into account by the former partners of such partnership under regulations prescribed by the Secretary.

(8) Extension to entities filing partnership return

If a partnership return is filed by an entity for a taxable year but it is determined that the entity is not a partnership (or that there is no entity) for such year, then, to the extent provided in regulations, the provisions of this subchapter are hereby extended in respect of such year to such entity and its items and to persons holding an interest in such entity.

(9) Coordination with other chapters

(A) In general

This subchapter shall not apply with respect to any tax imposed (including any amount required to be deducted or withheld) under chapter 2, 2A, 3, or 4, except that any partnership adjustment determined under this subchapter for purposes of chapter 1 shall be taken into account for purposes of determining any such tax to the extent that such adjustment is relevant to such determination.

(B) Timing of withholding

In the case of any tax imposed (including any amount required to be deducted or withheld) under chapter 3 or 4, which is determined with respect to an adjustment described in subparagraph (A), such tax—

- (i) shall be so determined with respect to the reviewed year, and
- (ii) shall be so imposed (or so required to be deducted or withheld) with respect to the adjustment year.

(C) Statute of limitation on assessment

For special rule with respect to limitation on assessment of taxes under chapter 2 or 2A

which are attributable to any partnership adjustment, see section 6501(c)(12).

(10) Authority to require electronic filing

Notwithstanding section 6011(e), the Secretary may require that anything required to be filed or submitted under section 6225(c), or to be furnished to or filed with the Secretary under section 6226, be so filed, submitted, or furnished by magnetic media or in other machine-readable form.

(11) Treatment of special enforcement matters

(A) In general

In the case of partnership-related items which involve special enforcement matters, the Secretary may prescribe regulations pursuant to which—

- (i) this subchapter (or any portion thereof) does not apply to such items, and
- (ii) such items are subject to such special rules (including rules related to assessment and collection) as the Secretary determines to be necessary for the effective and efficient enforcement of this title.

(B) Special enforcement matters

For purposes of subparagraph (A), the term “special enforcement matters” means—

- (i) failure to comply with the requirements of section 6226(b)(4)(A)(ii),
- (ii) assessments under section 6851 (relating to termination assessments of income tax) or section 6861 (relating to jeopardy assessments of income, estate, gift, and certain excise taxes),
- (iii) criminal investigations,
- (iv) indirect methods of proof of income,
- (v) foreign partners or partnerships, and
- (vi) other matters that the Secretary determines by regulation present special enforcement considerations.

(12) United States shareholders and certain other persons treated as partners

(A) In general

Except as otherwise provided by the Secretary, in the case of any controlled foreign corporation (as defined in section 957 or 953(c)(1)) which is a partner of a partnership, each United States shareholder (as defined in section 951(b) or 953(c)(1)) with respect to such controlled foreign corporation shall be treated for purposes of this subchapter as a partner of such partnership. For purposes of the preceding sentence, any distributive share of any such United States shareholder with respect to such partnership shall, except as otherwise provided by the Secretary, be equal to such United States shareholder's pro rata share with respect to such controlled foreign corporation (determined under rules similar to the rules of section 951(a)(2)).

(B) Passive foreign investment companies

For purposes of subparagraph (A), in the case of a passive foreign investment company (as defined in section 1297), each taxpayer that makes an election under section 1295 with respect to such company shall be treated in the same manner as United States

shareholders under subparagraph (A), except that such taxpayer's pro rata share with respect to the passive foreign investment company shall be determined under rules similar to the rules of section 1293(b).

(C) Regulations or other guidance

The Secretary shall issue such regulations or other guidance as is necessary or appropriate to carry out the purposes of this paragraph, including regulations which apply the rules of subparagraph (A) in similar circumstances or with respect to similarly situated persons.

(Added Pub. L. 114-74, title XI, §1101(c)(1), Nov. 2, 2015, 129 Stat. 636; amended Pub. L. 115-141, div. U, title II, §§201(a), (b)(1), 206(c), (l), (m), (p)(7), Mar. 23, 2018, 132 Stat. 1171, 1172, 1178, 1180-1182.)

Editorial Notes

PRIOR PROVISIONS

A prior section 6241, added Pub. L. 105-34, title XII, §1222(a), Aug. 5, 1997, 111 Stat. 100, related to consistency of a partner's return with the partnership return, prior to repeal by Pub. L. 114-74, title XI, §1101(b)(2), (g), Nov. 2, 2015, 129 Stat. 625, applicable to returns filed for partnership taxable years beginning after Dec. 31, 2017.

Another prior section 6241, added Pub. L. 97-354, §4(a), Oct. 19, 1982, 96 Stat. 1691, directed that tax treatment be determined at the corporate level, prior to repeal by Pub. L. 104-188, title I, §§1307(c)(1), 1317(a), Aug. 20, 1996, 110 Stat. 1781, 1787, applicable to taxable years beginning after Dec. 31, 1996.

A prior section 6242, added Pub. L. 105-34, title XII, §1222(a), Aug. 5, 1997, 111 Stat. 1010, related to procedures for taking partnership adjustments into account, prior to repeal by Pub. L. 114-74, title XI, §1101(b)(2), (g), Nov. 2, 2015, 129 Stat. 625, applicable to returns filed for partnership taxable years beginning after Dec. 31, 2017.

Another prior section 6242, added Pub. L. 97-354, §4(a), Oct. 19, 1982, 96 Stat. 1691, directed that shareholder's return be consistent with corporate return, prior to repeal by Pub. L. 104-188, title I, §§1307(c)(1), 1317(a), Aug. 20, 1996, 110 Stat. 1781, 1787, applicable to taxable years beginning after Dec. 31, 1996.

A prior section 6243, added Pub. L. 97-354, §4(a), Oct. 19, 1982, 96 Stat. 1691, directed that shareholders be notified of proceedings and given opportunity to participate, prior to repeal by Pub. L. 104-188, title I, §§1307(c)(1), 1317(a), Aug. 20, 1996, 110 Stat. 1781, 1787, applicable to taxable years beginning after Dec. 31, 1996.

A prior section 6244, added Pub. L. 97-354, §4(a), Oct. 19, 1982, 96 Stat. 1691, directed that certain provisions of subchapter C apply to subchapter S items, prior to repeal by Pub. L. 104-188, title I, §§1307(c)(1), 1317(a), Aug. 20, 1996, 110 Stat. 1781, 1787, applicable to taxable years beginning after Dec. 31, 1996.

A prior section 6245, added Pub. L. 105-34, title XII, §1222(a), Aug. 5, 1997, 111 Stat. 1013, authorized and directed Secretary to make necessary partnership adjustment, prior to repeal by Pub. L. 114-74, title XI, §1101(b)(2), (g), Nov. 2, 2015, 129 Stat. 625, applicable to returns filed for partnership taxable years beginning after Dec. 31, 2017.

Another prior section 6245, added Pub. L. 97-354, §4(a), Oct. 19, 1982, 96 Stat. 1692, defined "subchapter S item" for purposes of subchapter, prior to repeal by Pub. L. 104-188, title I, §§1307(c)(1), 1317(a), Aug. 20, 1996, 110 Stat. 1781, 1787, applicable to taxable years beginning after Dec. 31, 1996.

Prior sections 6246 to 6255 were repealed by Pub. L. 114-74, title XI, §1101(b)(2), (g), Nov. 2, 2015, 129 Stat. 625, applicable to returns filed for partnership taxable years beginning after Dec. 31, 2017.

Section 6246, added Pub. L. 105-34, title XII, §1222(a), Aug. 5, 1997, 111 Stat. 1013, related to restrictions on partnership adjustments.

Section 6247, added Pub. L. 105-34, title XII, §1222(a), Aug. 5, 1997, 111 Stat. 1014, related to judicial review of partnership adjustment.

Section 6248, added Pub. L. 105-34, title XII, §1222(a), Aug. 5, 1997, 111 Stat. 1015, related to period of limitations for making adjustments under this subpart.

Section 6251, added Pub. L. 105-34, title XII, §1222(a), Aug. 5, 1997, 111 Stat. 1016, related to administrative adjustment requests.

Section 6252, added Pub. L. 105-34, title XII, §1222(a), Aug. 5, 1997, 111 Stat. 1016, related to judicial review where administrative adjustment request is not allowed in full.

Section 6255, added Pub. L. 105-34, title XII, §1222(a), Aug. 5, 1997, 111 Stat. 1017, defined terms for former subchapter D and listed special rules.

AMENDMENTS

2018—Par. (2). Pub. L. 115-141, §201(a), amended par. (2) generally. Prior to amendment, text read as follows: "The term 'partnership adjustment' means any adjustment in the amount of any item of income, gain, loss, deduction, or credit of a partnership, or any partner's distributive share thereof."

Par. (5). Pub. L. 115-141, §206(p)(7), substituted "section 6234" for "sections 6234".

Par. (9). Pub. L. 115-141, §201(b)(1), added par. (9).

Par. (10). Pub. L. 115-141, §206(c), added par. (10).

Par. (11). Pub. L. 115-141, §206(l), added par. (11).

Par. (12). Pub. L. 115-141, §206(m), added par. (12).

Statutory Notes and Related Subsidiaries

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

Section applicable to returns filed for partnership taxable years beginning after Dec. 31, 2017, with certain exceptions, see section 1101(g) of Pub. L. 114-74, set out as a note under section 6221 of this title.

CHAPTER 64—COLLECTION

Subchapter	Sec. ¹
A. General provisions	6301
B. Receipt of payment	6311
C. Lien for taxes	6321
D. Seizure of property for collection of taxes	6331
[E. Repealed.]	

Editorial Notes

AMENDMENTS

1990—Pub. L. 101-508, title XI, §11801(b)(14), Nov. 5, 1990, 104 Stat. 1388-522, struck out item for subchapter E "Collection of State individual income taxes".

1972—Pub. L. 92-512, title II, §202(b), Oct. 20, 1972, 86 Stat. 944, added item for subchapter E.

Subchapter A—General Provisions

Sec.	
6301.	Collection authority
6302.	Mode or time of collection.
6303.	Notice and demand for tax.
6304.	Fair tax collection practices.
6305.	Collection of certain liability.
6306.	Qualified tax collection contracts.

¹ Section numbers editorially supplied.