

PART II—ITEMS SPECIFICALLY INCLUDED
IN GROSS INCOME

Sec.	
[71.]	Repealed.]
72.	Annuities; certain proceeds of endowment and life insurance contracts.
73.	Services of child.
74.	Prizes and awards.
75.	Dealers in tax-exempt securities.
[76.]	Repealed.]
77.	Commodity credit loans.
78.	Dividends received from certain foreign corporations by domestic corporations choosing foreign tax credit. ¹
79.	Group-term life insurance purchased for employees.
80.	Restoration of value of certain securities.
[81.]	Repealed.]
82.	Reimbursement of moving expenses.
83.	Property transferred in connection with performance of services.
84.	Transfer of appreciated property to political organizations.
85.	Unemployment compensation.
86.	Social security and tier 1 railroad retirement benefits.
87.	Alcohol and biodiesel fuels credits.
88.	Certain amounts with respect to nuclear de-commissioning costs.
[89.]	Repealed.]
90.	Illegal Federal irrigation subsidies.
91.	Certain foreign branch losses transferred to specified 10-percent owned foreign corporations.

Editorial Notes

AMENDMENTS

2017—Pub. L. 115-97, title I, §§11051(b)(1)(B), 14102(d)(2), Dec. 22, 2017, 131 Stat. 2089, 2194, struck out item 71 “Alimony and separate maintenance payments” and added item 91.

2004—Pub. L. 108-357, title III, §302(c)(1)(B), Oct. 22, 2004, 118 Stat. 1465, substituted “and biodiesel fuels credits” for “fuel credit” in item 87.

1989—Pub. L. 101-239, title VII, §7822(c), Dec. 19, 1989, 103 Stat. 2425, substituted “Illegal Federal irrigation” for “Federal irrigation” in item 90.

Pub. L. 101-140, title II, §202(b), Nov. 8, 1989, 103 Stat. 830, struck out item 89 “Benefits provided under certain employee benefit plans”.

1987—Pub. L. 100-203, title X, §§10201(b)(6), 10611(b), Dec. 22, 1987, 101 Stat. 1330-387, 1330-452, struck out item 81 “Increase in vacation pay suspense account” and added item 90.

1986—Pub. L. 99-514, title VIII, §805(c)(1)(B), title XI, §1151(j)(1), Oct. 22, 1986, 100 Stat. 2362, 2508, substituted “Increase in vacation pay suspense account” for “Certain increases in suspense accounts” in item 81, and added item 89.

1984—Pub. L. 98-369, div. A, title I, §91(f)(2), July 18, 1984, 98 Stat. 608, added item 88.

1983—Pub. L. 98-21, title I, §121(f)(3), Apr. 20, 1983, 97 Stat. 84, added item 86 and redesignated former item 86 as 87.

1980—Pub. L. 96-223, title II, §232(c)(3), Apr. 2, 1980, 94 Stat. 277, added item 86.

1978—Pub. L. 95-600, title I, §112(c)(1), Nov. 6, 1978, 92 Stat. 2778, added item 85.

1976—Pub. L. 94-455, title XIX, §1901(b)(5), Oct. 4, 1976, 90 Stat. 1793, struck out item 76 “Mortgages made or obligations issued by joint-stock land banks”.

1975—Pub. L. 93-625, §§4(c)(2), 13(a)(2), Jan. 3, 1975, 88 Stat. 2111, 2121, substituted “Certain increases in suspense accounts” for “Increases in suspense account under section 166(g)” in item 81, and added item 84.

¹Section catchline amended by Pub. L. 115-97 without corresponding amendment of analysis.

1969—Pub. L. 91-172, title II, §231(c)(1), title III, §321(c), Dec. 30, 1969, 83 Stat. 579, 591, added items 82, 83.

1966—Pub. L. 89-722, §1(b)(2), Nov. 2, 1966, 80 Stat. 1152, added item 81.

Pub. L. 89-384, §1(b)(2), Apr. 8, 1966, 80 Stat. 102, added item 80.

1964—Pub. L. 88-272, title II, §204(a)(2), Feb. 26, 1964, 78 Stat. 36, added item 79.

1962—Pub. L. 87-834, §9(d)(1), Oct. 16, 1962, 76 Stat. 1001, added item 78.

[§ 71. Repealed. Pub. L. 115-97, title I, §11051(b)(1)(B), Dec. 22, 2017, 131 Stat. 2089]

Section, Aug. 16, 1954, ch. 736, 68A Stat. 19; Pub. L. 98-369, div. A, title IV, §422(a), July 18, 1984, 98 Stat. 795; Pub. L. 99-514, title XVIII, §1843(a)-(c)(1), (d), Oct. 22, 1986, 100 Stat. 2853, 2855, related to inclusion in gross income of amounts received as alimony or separate maintenance payments.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF REPEAL

Repeal applicable to any divorce or separation instrument (as defined in former subsec. (b)(2) of this section as in effect before Dec. 22, 2017) executed after Dec. 31, 2018, and to such instruments executed on or before Dec. 31, 2018, and modified after Dec. 31, 2018, if the modification expressly provides that the amendment made by section 11051 of Pub. L. 115-97 applies to such modification, see section 11051(c) of Pub. L. 115-97, set out as an Effective Date of 2017 Amendment note under section 61 of this title.

§ 72. Annuities; certain proceeds of endowment and life insurance contracts

(a) General rules for annuities

(1) Income inclusion

Except as otherwise provided in this chapter, gross income includes any amount received as an annuity (whether for a period certain or during one or more lives) under an annuity, endowment, or life insurance contract.

(2) Partial annuitization

If any amount is received as an annuity for a period of 10 years or more or during one or more lives under any portion of an annuity, endowment, or life insurance contract—

(A) such portion shall be treated as a separate contract for purposes of this section,

(B) for purposes of applying subsections (b), (c), and (e), the investment in the contract shall be allocated pro rata between each portion of the contract from which amounts are received as an annuity and the portion of the contract from which amounts are not received as an annuity, and

(C) a separate annuity starting date under subsection (c)(4) shall be determined with respect to each portion of the contract from which amounts are received as an annuity.

(b) Exclusion ratio

(1) In general

Gross income does not include that part of any amount received as an annuity under an annuity, endowment, or life insurance contract which bears the same ratio to such amount as the investment in the contract (as of the annuity starting date) bears to the expected return under the contract (as of such date).