

(4) providing for alternative adjustments to the application of section 905(c),

(5) providing for the appropriate treatment of related party transactions (including transactions between qualified business units of the same taxpayer), and

(6) setting forth procedures for determining the average exchange rate for any period.

(Added Pub. L. 99-514, title XII, § 1261(a), Oct. 22, 1986, 100 Stat. 2590; amended Pub. L. 100-647, title I, § 1012(v)(5), Nov. 10, 1988, 102 Stat. 3529; Pub. L. 103-66, title XIII, § 13231(c)(4)(C), Aug. 10, 1993, 107 Stat. 499; Pub. L. 104-188, title I, § 1501(b)(9), Aug. 20, 1996, 110 Stat. 1826; Pub. L. 105-34, title XI, § 1102(b)(2), (3), Aug. 5, 1997, 111 Stat. 966; Pub. L. 108-357, title IV, § 413(c)(17), Oct. 22, 2004, 118 Stat. 1508.)

Editorial Notes

REFERENCES IN TEXT

The enactment of this subpart, referred to in subsec. (c)(1), probably means the date of enactment of Pub. L. 99-514, which was approved Oct. 22, 1986.

AMENDMENTS

2004—Subsec. (b)(3). Pub. L. 108-357 struck out “, 551(a),” after “section 951(a)(1)(A)”.

1997—Subsec. (b)(3), (4). Pub. L. 105-34, § 1102(b)(3), struck out “weighted” before “average exchange rate”.

Subsec. (c)(6). Pub. L. 105-34, § 1102(b)(2), added par. (6).

1996—Subsec. (b). Pub. L. 104-188 substituted “section 951(a)(1)(B)” for “subparagraph (B) or (C) of section 951(a)(1)” in closing provisions.

1993—Subsec. (b). Pub. L. 103-66 substituted “subparagraph (B) or (C) of section 951(a)(1)” for “section 951(a)(1)(B)” in last sentence.

1988—Subsec. (b). Pub. L. 100-647 substituted in par. (3) “section 951(a)(1)(A)” for “section 951(a)” and inserted at end “For purposes of the preceding sentence, any amount included in income under section 951(a)(1)(B) shall be treated as an actual distribution made on the last day of the taxable year for which such amount was so included.”

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108-357 applicable to taxable years of foreign corporations beginning after Dec. 31, 2004, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end, see section 413(d)(1) of Pub. L. 108-357, set out as an Effective and Termination Dates of 2004 Amendments note under section 1 of this title.

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105-34 applicable to taxes paid or accrued in taxable years beginning after Dec. 31, 1997, see section 1102(c)(1) of Pub. L. 105-34, set out as a note under section 986 of this title.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104-188 applicable to taxable years of foreign corporations beginning after Dec. 31, 1996, and to taxable years of United States shareholders within which or with which such taxable years of foreign corporations end, see section 1501(d) of Pub. L. 104-188, set out as a note under section 904 of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-66 applicable to taxable years of foreign corporations beginning after Sept. 30, 1993, and to taxable years of United States shareholders

in which or with which such taxable years of foreign corporations end, see section 13231(e) of Pub. L. 103-66, set out as a note under section 951 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-647 effective, except as otherwise provided, as if included in the provision of the Tax Reform Act of 1986, Pub. L. 99-514, to which such amendment relates, see section 1019(a) of Pub. L. 100-647, set out as a note under section 1 of this title.

EFFECTIVE DATE

Section applicable to taxable years beginning after Dec. 31, 1986, with certain exceptions and qualifications, see section 1261(e) of Pub. L. 99-514, set out as a note under section 985 of this title.

PART IV—DOMESTIC INTERNATIONAL SALES CORPORATIONS

Subpart	Sec. ¹
A. Treatment of qualifying corporations ...	991
B. Treatment of distributions to shareholders	995

Editorial Notes

AMENDMENTS

1971—Pub. L. 92-178, title V, § 501, Dec. 10, 1971, 85 Stat. 535, added part IV to subchapter N of chapter 1.

SUBPART A—TREATMENT OF QUALIFYING CORPORATIONS

Sec.	
991.	Taxation of a domestic international sales corporation.
992.	Requirements of a domestic international sales corporation.
993.	Definitions and special rules.
994.	Inter-company pricing rules.

§ 991. Taxation of a domestic international sales corporation

For purposes of the taxes imposed by this subtitle upon a DISC (as defined in section 992(a)), a DISC shall not be subject to the taxes imposed by this subtitle.

(Added Pub. L. 92-178, title V, § 501, Dec. 10, 1971, 85 Stat. 535; amended Pub. L. 105-206, title VI, § 6011(e)(1), July 22, 1998, 112 Stat. 818.)

Editorial Notes

AMENDMENTS

1998—Pub. L. 105-206 struck out “except for the tax imposed by chapter 5” before period at end.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-206 effective, except as otherwise provided, as if included in the provisions of the Taxpayer Relief Act of 1997, Pub. L. 105-34, to which such amendment relates (section 1131(a) of Pub. L. 105-34), see section 6024 of Pub. L. 105-206, set out as a note under section 1 of this title.

EFFECTIVE DATE

Pub. L. 92-178, title V, § 507, Dec. 10, 1971, 85 Stat. 553, as amended by Pub. L. 99-514, § 2, Oct. 22, 1986, 100 Stat. 2095, provided that: “Except as provided in section 505 of this title [amending section 971 of this title and en-

¹ Section numbers editorially supplied.