

subsection (a) [amending this section] shall apply to payments made after December 31, 2010.”

Pub. L. 111-148, title IX, §9006(c), Mar. 23, 2010, 124 Stat. 855, provided that: “The amendments made by this section [amending this section] shall apply to payments made after December 31, 2011.”

#### EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108-357 applicable to amounts deferred after Dec. 31, 2004, with special rules relating to earnings and material modifications and exception for nonselective deferred compensation, see section 885(d) of Pub. L. 108-357, set out as an Effective Date note under section 409A of this title.

#### EFFECTIVE DATE OF 2003 AMENDMENT

Pub. L. 108-173, title XII, §1203(b), Dec. 8, 2003, 117 Stat. 2480, provided that: “The amendment made by this section [amending this section] shall apply to payments made after December 31, 2002.”

#### EFFECTIVE DATE OF 1996 AMENDMENT

Pub. L. 104-168, title XII, §1201(b), July 30, 1996, 110 Stat. 1470, provided that: “The amendments made by subsection (a) [amending this section and sections 6041A, 6042, 6044, 6045, 6049, 6050B, 6050H to 6050K, and 6050N of this title] shall apply to statements required to be furnished after December 31, 1996 (determined without regard to any extension).”

#### EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by section 1501(c)(1) of Pub. L. 99-514 applicable to returns the due date for which (determined without regard to extensions) is after Dec. 31, 1986, see section 1501(e) of Pub. L. 99-514, set out as an Effective Date note under section 6721 of this title.

Amendment by section 1523(b)(2) of Pub. L. 99-514 applicable to payments made after Dec. 31, 1986, see section 1523(d) of Pub. L. 99-514, set out as an Effective Date note under section 6050N of this title.

#### EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-369 applicable to payments or distributions after Dec. 31, 1984, unless the payor elects to have such amendment apply to payments or distributions before Jan. 1, 1985, see section 722(h)(5)(B) of Pub. L. 98-369, set out as a note under section 643 of this title.

#### EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-248 applicable to amounts paid (or treated as paid) after Dec. 31, 1982, see section 309(c) of Pub. L. 97-248, set out as a note under section 6049 of this title.

#### EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-34 applicable to returns and statements required to be furnished after Dec. 31, 1981, see section 723(c) of Pub. L. 97-34, set out as a note under section 6652 of this title.

#### EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95-600 applicable to payments made after Dec. 31, 1978, see section 501(c) of Pub. L. 95-600, set out as a note under section 6001 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 section 6044(b) of this title 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.

#### ALLOWANCE OF ELECTRONIC 1099'S

Pub. L. 107-147, title IV, §401, Mar. 9, 2002, 116 Stat. 40, provided that: “Any person required to furnish a state-

ment under any section of subpart B of part III of subchapter A of chapter 61 of the Internal Revenue Code of 1986 for any taxable year ending after the date of the enactment of this Act [Mar. 9, 2002], may electronically furnish such statement (without regard to any first class mailing requirement) to any recipient who has consented to the electronic provision of the statement in a manner similar to the one permitted under regulations issued under section 6051 of such Code or in such other manner as provided by the Secretary.”

#### EMPLOYER'S DUTIES IN CONNECTION WITH RECORDING AND REPORTING OF TIPS

Pub. L. 94-455, title XXI, §2211, Oct. 4, 1976, 90 Stat. 1905, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that:

“(a) SUSPENSION OF RULINGS.—Until January 1, 1979, the law with respect to the duty of an employer under section 6041(a) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] to report charge account tips of employees to the Internal Revenue Service (other than charge account tips included in statements furnished to the employer under section 6053(a) of such Code) shall be administered—

“(1) without regard to Revenue Rulings 75-400 and 76-231, and

“(2) in accordance with the manner in which such law was administered before the issuance of such rulings.

“(b) EFFECTIVE DATE.—This section shall take effect on January 1, 1976.”

#### § 6041A. Returns regarding payments of remuneration for services and direct sales

##### (a) Returns regarding remuneration for services

If—

(1) any service-recipient engaged in a trade or business pays in the course of such trade or business during any calendar year remuneration to any person for services performed by such person, and

(2) the aggregate of such remuneration paid to such person during such calendar year is \$600 or more,

then the service-recipient 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 recipient of such payments. For purposes of the preceding sentence, the term “service-recipient” means the person for whom the service is performed.

##### (b) Direct sales of \$5,000 or more

###### (1) In general

If—

(A) any person engaged in a trade or business in the course of such trade or business during any calendar year sells consumer products to any buyer on a buy-sell basis, a deposit-commission basis, or any similar basis which the Secretary prescribes by regulations, for resale (by the buyer or any other person) in the home or otherwise than in a permanent retail establishment, and

(B) the aggregate amount of the sales to such buyer during such calendar year is \$5,000 or more,

then such person shall make a return, according to the forms or regulations prescribed by the Secretary, setting forth the name and address of the buyer to whom such sales are made.

**(2) Definitions**

For purposes of paragraph (1)—

**(A) Buy-sell basis**

A transaction is on a buy-sell basis if the buyer performing the services is entitled to retain part or all of the difference between the price at which the buyer purchases the product and the price at which the buyer sells the product as part or all of the buyer's remuneration for the services, and

**(B) Deposit-commission basis**

A transaction is on a deposit-commission basis if the buyer performing the services is entitled to retain part or all of a purchase deposit paid by the consumer in connection with the transaction as part or all of the buyer's remuneration for the services.

**(c) Certain services not included**

No return shall be required under subsection (a) or (b) if a statement with respect to the services is required to be furnished under section 6051, 6052, or 6053.

**(d) Applications to governmental units****(1) Treated as persons**

The term "person" includes any governmental unit (and any agency or instrumentality thereof).

**(2) Special rules**

In the case of any payment by a governmental entity or any agency or instrumentality thereof—

(A) subsection (a) shall be applied without regard to the trade or business requirement contained therein, and

(B) any return under this section shall be made by the officer or employee having control of the payment or appropriately designated for the purpose of making such return.

**(3) Payments to corporations by Federal executive agencies****(A) In general**

Notwithstanding any regulation prescribed by the Secretary before the date of the enactment of this paragraph, subsection (a) shall apply to remuneration paid to a corporation by any Federal executive agency (as defined in section 6050M(b)).

**(B) Exception**

Subparagraph (A) shall not apply to—

(i) services under contracts described in section 6050M(e)(3) with respect to which the requirements of section 6050M(e)(2) are met, and

(ii) such other services as the Secretary may specify in regulations prescribed after the date of the enactment of this paragraph.

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

Every person required to make a return under subsection (a) or (b) 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 person required to make such return, and

(2) in the case of subsection (a), the aggregate amount of payments to the person required to be shown on such return.

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) was made.

**(f) Recipient to furnish name, address, and identification number; inclusion on return****(1) Furnishing of information**

Any person with respect to whom a return or statement is required under this section to be made by another person shall furnish to such other person his name, address, and identification number at such time and in such manner as the Secretary may prescribe by regulations.

**(2) Inclusion on return**

The person to whom an identification number is furnished under paragraph (1) shall include such number on any return which such person is required to file under this section and to which such identification number relates.

(Added Pub. L. 97-248, title III, §312(a), Sept. 3, 1982, 96 Stat. 601; amended Pub. L. 104-168, title XII, §1201(a)(2), July 30, 1996, 110 Stat. 1469; Pub. L. 105-34, title X, §1022(a), Aug. 5, 1997, 111 Stat. 923.)

**Editorial Notes**

## REFERENCES IN TEXT

The date of the enactment of this paragraph, referred to in subsec. (d)(3), is the date of enactment of Pub. L. 105-34, which was approved Aug. 5, 1997.

## AMENDMENTS

1997—Subsec. (d)(3). Pub. L. 105-34 added par. (3).

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

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE OF 1997 AMENDMENT

Pub. L. 105-34, title X, §1022(b), Aug. 5, 1997, 111 Stat. 923, provided that: "The amendment made by this section [amending this section] shall apply to returns the due date for which (determined without regard to any extension) is more than 90 days after the date of the enactment of this Act [Aug. 5, 1997]."

## 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

Pub. L. 97-248, title III, §312(c), Sept. 3, 1982, 96 Stat. 603, provided that: "The amendments made by this section [enacting this section and amending section 6678 of this title] shall apply to payments and sales made after December 31, 1982."

**§ 6042. Returns regarding payments of dividends and corporate earnings and profits**

**(a) Requirement of reporting**

**(1) In general**

Every person—

(A) who makes payments of dividends aggregating \$10 or more to any other person during any calendar year, or

(B) who receives payments of dividends as a nominee and who makes payments aggregating \$10 or more during any calendar year to any other person with respect to the dividends so received,

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 person who makes payments of dividends aggregating less than \$10 to any other 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) Dividend defined**

**(1) General rule**

For purposes of this section, the term “dividend” means—

(A) any distribution by a corporation which is a dividend (as defined in section 316); and

(B) any payment made by a stockbroker to any person as a substitute for a dividend (as so defined).

**(2) Exceptions**

For purposes of this section, the term “dividend” does not include any distribution or payment—

(A) to the extent provided in regulations prescribed by the Secretary—

(i) by a foreign corporation, or

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

(B) except to the extent otherwise provided in regulations prescribed by the Secretary, to any person described in section 6049(b)(4).

**(3) Special rule**

If the person making any payment described in subsection (a)(1)(A) or (B) is unable to determine the portion of such payment which is a dividend or is paid with respect to a dividend, he shall, for purposes of subsection (a)(1), treat the entire amount of such payment as a dividend or as an amount paid with respect to a dividend.

**(c) 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 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 person 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.

**(d) Statements to be furnished by corporations to Secretary**

Every corporation shall, when required by the Secretary—

(1) furnish to the Secretary a statement stating the name and address of each shareholder, and the number of shares owned by each shareholder;

(2) furnish to the Secretary a statement of such facts as will enable him to determine the portion of the earnings and profits of the corporation (including gains, profits, and income not taxed) accumulated during such periods as the Secretary may specify, which have been distributed or ordered to be distributed, respectively, to its shareholders during such taxable years as the Secretary may specify; and

(3) furnish to the Secretary a statement of its accumulated earnings and profits and the names and addresses of the individuals or shareholders who would be entitled to such accumulated earnings and profits if divided or distributed, and of the amounts that would be payable to each.

(Aug. 16, 1954, ch. 736, 68A Stat. 746; Pub. L. 87-834, §19(a), Oct. 16, 1962, 76 Stat. 1053; Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 97-248, title III, §§303(a), 308(a), Sept. 3, 1982, 96 Stat. 587, 591; Pub. L. 97-354, §5(a)(40), Oct. 19, 1982, 96 Stat. 1696; Pub. L. 98-67, title I, §§102(a), 108(b), Aug. 5, 1983, 97 Stat. 369, 383; Pub. L. 98-369, div. A, title VII, §714(d), July 18, 1984, 98 Stat. 961; Pub. L. 99-514, title XV, §1501(c)(2), Oct. 22, 1986, 100 Stat. 2736; Pub. L. 104-168, title XII, §1201(a)(3), July 30, 1996, 110 Stat. 1469.)

**Editorial Notes**

AMENDMENTS

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

1986—Subsec. (c). Pub. L. 99-514, in amending subsec. (c) generally, substituted “information is required” for “information is furnished” in heading and, in text, substituted references to persons required to make returns for former references to persons making returns and struck out provisions directing that no statement was required to be furnished to any person under this subsection if the aggregate amount of payments to such person as shown on the return made under subsec. (a)(1) was less than \$10.

1984—Subsec. (b)(2). Pub. L. 98-369, in amending par. (2) generally, designated existing provision as subpar.