

nonresident agent, solicitor, or broker. A person required to pay tax under this section may remit such tax before the time the tax attaches if he keeps records consistent with such practice.

(c) *Payment of tax.* The tax imposed by section 4371 shall be paid on the basis of a return by the person who makes payment of the premium to a foreign insurer or reinsurer or to any nonresident agent, solicitor, or broker. If the tax is not paid by the person who paid the premium, the tax imposed by section 4371 shall be paid on the basis of a return by any person who makes, signs, issues, or sells any of the documents or instruments subject to the tax imposed by section 4371, or for whose use or benefit such document or instrument is made, signed, issued, or sold.

(d) *Penalty for failure to pay tax.* Any person who fails to comply with the requirements of this section with intent to evade the tax shall, in addition to other penalties provided therefor, pay a fine of double the amount of tax. (See section 7270.)

(e) *Effective date.* This section is applicable for premiums paid on or after November 27, 2002.

[T.D. 9024, 67 FR 70846, Nov. 27, 2002]

Subpart C—Excise Tax on Obligations Not in Registered Form

§ 46.4701-1 Tax on issuer of registration-required obligation not in registered form.

(a) *In general.* Section 4701 imposes a tax (determined under paragraph (c) of this section) on any person (referred to as the issuer) who issues an obligation that—

(1) Is a registration-required obligation, and

(2) Is not issued in registered form.

(b) *Definitions—(1) Person.* The term “person” includes all governmental entities.

(2) *Obligation.* The term “obligation” includes bonds debentures, notes, certificates and other evidences of indebtedness regardless of how denominated.

(3) *Registration-required obligation.* The term “registration-required obligation” has the same meaning as when used in section 163(f) (and the regulations thereunder) which relates to the

denial of a deduction for interest on certain obligations not in registered form. However, the term “registration-required obligation” does not include any obligation which would otherwise be exempt from Federal income tax under section 103(a) or any other provision of law.

(4) *Registered form.* The term “registered form” has the same meaning as when used in section 103(j) (and the regulations thereunder) which relates to obligations which must be in registered form to be tax-exempt.

(5) *Issuer.* Except as provided in § 1.163-5T(d) (relating to pass-through certificates) and § 1.163-5T(e) (relating to REMICs), the “issuer” is the person whose interest deduction would be disallowed solely by reason of section 163(f)(1).

(6) *Date of Issuance.* (i) For obligations intended to be offered to the public, the term “date of issuance” means the date the obligation is first sold to the public at the issue price.

(ii) For an obligation which is privately placed, the term “date of issuance” is the date the obligation is first sold by the issuer.

(7) *Issue price.* See section 1273 (b) and the regulations thereunder for the definition of “issue price”.

(c) *Rate and computation of tax.* The tax under section 4701(a) is imposed in an amount equal to the product of—

(1) 1 percent of the principal amount of the obligation, multiplied by

(2) The number of calendar years (or portions thereof) during the period beginning on the date of issuance of the obligation and ending on the date of maturity.

For purposes of this paragraph, the term “principal amount” for a discounted obligation is the issue price, and for all other obligations, including obligations sold at a premium, the term “principal amount” is the stated redemption price at maturity.

(d) *Payment of tax.* Every person who incurs liability for the tax imposed by section 4701 is required to file a return in accordance with section 6011 and § 46.6011(a)-1 relating to the general requirement of a return, statement or list.

(e) *Effective date.* The provisions of this section shall apply to obligations

issued after December 31, 1982, unless issued on the exercise of a warrant or the conversion of a convertible obligation if the warrant or obligation was offered or sold outside the United States without registration under the Securities Act of 1933 and was issued before August 10, 1982. See section 310(d)(3) of the Tax Equity and Fiscal Responsibility Act of 1982.

[T.D. 8102, 51 FR 33594, Sept. 22, 1986; 51 FR 36392, Oct. 10, 1986, as amended by T.D. 8300, 55 FR 19627, May 10, 1990]

PART 48—MANUFACTURERS AND RETAILERS EXCISE TAXES

Subpart A—Introduction

Sec.

- 48.0-1 Introduction.
- 48.0-2 General definitions and attachment of tax.
- 48.0-3 Exemption certificates.

Subparts B-E [Reserved]

Subpart F—Special Fuels

- 48.4041-0 Applicability of regulations relating to diesel fuel after December 31, 1993.
- 48.4041-3 Application of tax on sales of special motor fuel for use in motor vehicles and motorboats.
- 48.4041-4 Application of tax on sales of liquid for use as fuel in aircraft in non-commercial aviation.
- 48.4041-5 Sales of diesel and special motor fuels and fuel for use in aircraft; rules of general application.
- 48.4041-6 Application of tax on use of taxable liquid fuel.
- 48.4041-7 Dual use of taxable liquid fuel.
- 48.4041-8 Definitions.
- 48.4041-9 Exemption for farm use.
- 48.4041-10 Exemption for use as supplies for vessels or aircraft.
- 48.4041-11 Tax-free sales of fuel for use in noncommercial aviation only if sellers and certain purchasers are registered.
- 48.4041-12 Sales by United States, etc.
- 48.4041-13 Other credits or refunds.
- 48.4041-14 Exemption for sale to or use by certain aircraft museums.
- 48.4041-15 Sales to States or political subdivisions thereof.
- 48.4041-16 Sales for export.
- 48.4041-17 Tax-free retail sales to certain nonprofit educational organizations.
- 48.4041-18 Fuels containing alcohol.
- 48.4041-19 Exemption for qualified methanol and ethanol fuel.
- 48.4041-20 Partially exempt methanol and ethanol fuel.

- 48.4041-21 Compressed natural gas (CNG).

Subpart G—Fuel Used on Inland Waterways

- 48.4042-1 Tax on fuel used in commercial waterway transportation.
- 48.4042-2 Special rules.
- 48.4042-3 Certain types of commercial waterway transportation excluded.

Subpart H—Motor Vehicles, Tires, Tubes, Tread Rubber, and Taxable Fuel

AUTOMOTIVE AND RELATED ITEMS

MOTOR VEHICLES

- 48.4052-1 Heavy trucks and trailers; certification requirement.
- 48.4061(a) [Reserved]
- 48.4061(a)-1 Imposition of tax; exclusion for light-duty trucks, etc.
- 48.4061(a)-2 Bonding of importers.
- 48.4061(a)-3 Definitions.
- 48.4061(a)-4 Parts or accessories sold on or in connection with chassis, bodies, etc.
- 48.4061(a)-5 Sale of automobile truck bodies and chassis.
- 48.4061(b) [Reserved]
- 48.4061(b)-1 Imposition of tax.
- 48.4061(b)-2 Definition of parts or accessories.
- 48.4061(b)-3 Rebuilt, reconditioned, or repaired parts or accessories.
- 48.4061-1 Temporary regulations with respect to floor stock refunds or credits on cement mixers.
- 48.4062(a) [Reserved]
- 48.4062(a)-1 Specific parts or accessories.
- 48.4062(b) [Reserved]
- 48.4062(b)-1 Rebuilt parts or accessories sold on an exchange basis.
- 48.4063-1 Tax-free sales of bodies to chassis manufacturers.
- 48.4063-2 Tax-free sales of parts or accessories sold for resale on or in connection with the first retail sale of a light-duty truck.
- 48.4063-3 Other tax-free sales.
- 48.4064-1 Gas guzzler tax.

TIRES, TUBES, AND TREAD RUBBER

- 48.4071-1 Imposition and rates of tax.
- 48.4071-2 Determination of weight.
- 48.4071-3 Imposition of tax on tires and tubes delivered to manufacturer's retail outlet.
- 48.4071-4 Original equipment tires on imported articles.
- 48.4072-1 Definitions.
- 48.4073 [Reserved]
- 48.4073-1 Exemption of tires of certain sizes.
- 48.4073-2 Exemption of tires with internal wire fastening.
- 48.4073-3 Exemption of tread rubber used for recapping nonhighway tires.
- 48.4073-4 Other tax-free sales.