

(Added Pub. L. 108-357, title VIII, § 863(d)(1), Oct. 22, 2004, 118 Stat. 1620.)

EFFECTIVE DATE

Section applicable to penalties imposed after Dec. 31, 2004, see section 863(e) of Pub. L. 108-357, set out as a note under section 6719 of this title.

Subchapter C—Procedural Requirements

Sec.

6751. Procedural requirements.

§ 6751. Procedural requirements**(a) Computation of penalty included in notice**

The Secretary shall include with each notice of penalty under this title information with respect to the name of the penalty, the section of this title under which the penalty is imposed, and a computation of the penalty.

(b) Approval of assessment**(1) In general**

No penalty under this title shall be assessed unless the initial determination of such assessment is personally approved (in writing) by the immediate supervisor of the individual making such determination or such higher level official as the Secretary may designate.

(2) Exceptions

Paragraph (1) shall not apply to—

(A) any addition to tax under section 6651, 6654, or 6655; or

(B) any other penalty automatically calculated through electronic means.

(c) Penalties

For purposes of this section, the term “penalty” includes any addition to tax or any additional amount.

(Added Pub. L. 105-206, title III, § 3306(a), July 22, 1998, 112 Stat. 744.)

EFFECTIVE DATE

Pub. L. 105-206, title III, § 3306(c), July 22, 1998, 112 Stat. 744, as amended by Pub. L. 106-554, § 1(a)(7) [title III, § 302(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A-632, provided that: “The amendments made by this section [enacting this subchapter] shall apply to notices issued, and penalties assessed, after June 30, 2001. In the case of any notice of penalty issued after June 30, 2001, and before July 1, 2003, the requirements of section 6751(a) of the Internal Revenue Code of 1986 shall be treated as met if such notice contains a telephone number at which the taxpayer can request a copy of the taxpayer’s assessment and payment history with respect to such penalty.”

CHAPTER 69—GENERAL PROVISIONS RELATING TO STAMPS

Sec.

6801. Authority for establishment, alteration, and distribution.

6802. Supply and distribution.

6803. Accounting and safeguarding.

6804. Attachment and cancellation.

6805. Redemption of stamps.

6806. Posting occupational tax stamps.¹

6807. Stamping, marking, and branding seized goods.

6808. Special provisions relating to stamps.

¹Section catchline amended by Pub. L. 90-618 without corresponding amendment of analysis.

§ 6801. Authority for establishment, alteration, and distribution**(a) Establishment and alteration**

The Secretary may establish, and from time to time alter, renew, replace, or change the form, style, character, material, and device of any stamp, mark, or label under any provision of the laws relating to internal revenue.

(b) Preparation and distribution of regulations, forms, stamps and dies

The Secretary shall prepare and distribute all the instructions, regulations, directions, forms, blanks, and stamps; and shall provide proper and sufficient adhesive stamps and other stamps or dies for expressing and denoting the several stamp taxes.

(Aug. 16, 1954, ch. 736, 68A Stat. 829; Pub. L. 94-455, title XIX, § 1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 94-569, § 2, Oct. 20, 1976, 90 Stat. 2699; Pub. L. 98-369, div. A, title IV, § 454(c)(13), July 18, 1984, 98 Stat. 822.)

AMENDMENTS

1984—Subsec. (b). Pub. L. 98-369 struck out “, except that stamps required by or prescribed pursuant to the provisions of section 5205 or section 5235 may be prepared and distributed by persons authorized by the Secretary, under such controls for the protection of the revenue as shall be deemed necessary” before the period at end.

1976—Subsec. (a). Pub. L. 94-455 struck out “or his delegate” after “Secretary”.

Subsec. (b). Pub. L. 94-455 and Pub. L. 94-569 struck out “or his delegate” after “Secretary” and provided that stamps required by or prescribed pursuant to the provisions of section 5205 or section 5235 may be prepared and distributed by persons authorized by the Secretary, under such controls for the protection of the revenue as shall be deemed necessary.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-369 effective July 1, 1985, see section 456(b) of Pub. L. 98-369, set out as an Effective Date note under section 5101 of this title.

§ 6802. Supply and distribution

The Secretary shall furnish, without prepayment, to—

(1) Postmaster General

The Postmaster General a suitable quantity of adhesive stamps, coupons, tickets, or such other devices as may be prescribed by the Secretary pursuant to section 6302(b) or this chapter, to be distributed to, and kept on sale by, the various postmasters in the United States in all post offices of the first and second classes, and such post offices of the third and fourth classes as—

(A) are located in county seats, or

(B) are certified by the Secretary to the Postmaster General as necessary;

(2) Designated depository of the United States

Any designated depository of the United States a suitable quantity of adhesive stamps to be kept on sale by such designated depository.

(Aug. 16, 1954, ch. 736, 68A Stat. 829; Pub. L. 89-44, title VI, § 601(d), June 21, 1965, 79 Stat. 154; Pub. L. 94-455, title XIX, § 1906(a)(36), (b)(13)(A), Oct. 4, 1976, 90 Stat. 1829, 1834.)

AMENDMENTS

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary” wherever appearing and substituted in par. (2) “designated depository.” for “designated depository.”

1965—Par. (1). Pub. L. 89-44, §601(d)(1), struck out “(other than the stamps on playing cards)” after “quantity of adhesive stamps”.

Par. (3). Pub. L. 89-44, §601(d)(2), struck out par. (3) which related to supply and distribution of stamps to State agents.

EFFECTIVE DATE OF 1965 AMENDMENT

Amendment by Pub. L. 89-44 to take effect in a manner consistent with effective date of change of tax provision to which related, see section 701(e) of Pub. L. 89-44, set out as a note under section 6103 of this title.

TRANSFER OF FUNCTIONS

Office of Postmaster General of Post Office Department abolished and all functions, powers, and duties of Postmaster General transferred to United States Postal Service by Pub. L. 91-375, §4(a), Aug. 12, 1970, 84 Stat. 773, set out as a note under section 201 of Title 39, Postal Service.

§ 6803. Accounting and safeguarding**(a) Bond**

In cases coming within the provisions of paragraph (2) of section 6802, the Secretary may require a bond, with sufficient sureties, in a sum to be fixed by the Secretary, conditioned for the faithful return, whenever so required, of all quantities or amounts undisposed of and for the payment monthly for all quantities or amounts sold or not remaining on hand.

(b) Regulations

The Secretary may from time to time make such regulations as he may find necessary to insure the safekeeping or prevent the illegal use of all adhesive stamps referred to in paragraph (2) of section 6802.

(Aug. 16, 1954, ch. 736, 68A Stat. 830; Pub. L. 92-310, title II, §230(a), June 6, 1972, 86 Stat. 209; Pub. L. 94-455, title XIX, §1906(a)(37), (b)(13)(A), Oct. 4, 1976, 90 Stat. 1829, 1834.)

AMENDMENTS

1976—Subsec. (a). Pub. L. 94-455 redesignated subsec. (b)(1) as (a), substituted “paragraph (2)” for “paragraph (2) or (3)”, and struck out “or his delegate” after “Secretary” wherever appearing.

Subsec. (b). Pub. L. 94-455 redesignated par. (2) as entire subsection, struck out “or his delegate” after “Secretary” and substituted “paragraph (2)” for “paragraphs (2) and (3)”. Par. (1) redesignated subsec. (a).

1972—Subsec. (a). Pub. L. 92-310 repealed subsec. (a) which related to bonds, deposits of receipts, and accounts of postmasters, and which required the Postmaster General to transfer all receipts to the Treasury.

§ 6804. Attachment and cancellation

Except as otherwise expressly provided in this title, the stamps referred to in section 6801 shall be attached, protected, removed, canceled, obliterated, and destroyed, in such manner and by such instruments or other means as the Secretary may prescribe by rules or regulations.

(Aug. 16, 1954, ch. 736, 68A Stat. 830; Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834.)

AMENDMENTS

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary”.

§ 6805. Redemption of stamps**(a) Authorization**

The Secretary, subject to regulations prescribed by him, may, upon receipt of satisfactory evidence of the facts, make allowance for or redeem such of the stamps, issued under authority of any internal revenue law, as may have been spoiled, destroyed, or rendered useless or unfit for the purpose intended, or for which the owner may have no use.

(b) Method and conditions of allowance

Such allowance or redemption may be made, either by giving other stamps in lieu of the stamps so allowed for or redeemed, or by refunding the amount or value to the owner thereof, deducting therefrom, in case of repayment, the percentage, if any, allowed to the purchaser thereof; but no allowance or redemption shall be made in any case until the stamps so spoiled or rendered useless shall have been returned to the Secretary, or until satisfactory proof has been made showing the reason why the same cannot be returned; or, if so required by the Secretary, when the person presenting the same cannot satisfactorily trace the history of said stamps from their issuance to the presentation of his claim as aforesaid.

(c) Time for filing claims

No claim for the redemption of, or allowance for, stamps shall be allowed under this section unless presented within 3 years after the purchase of such stamps from the Government.

(d) Finality of decisions

The findings of fact in and the decision of the Secretary upon the merits of any claim presented under or authorized by this section shall, in the absence of fraud or mistake in mathematical calculation, be final and not subject to revision by any accounting officer.

(Aug. 16, 1954, ch. 736, 68A Stat. 830; Pub. L. 85-859, title I, §165(b), (c), Sept. 2, 1958, 72 Stat. 1313; Pub. L. 94-455, title XIX, §1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834.)

AMENDMENTS

1976—Pub. L. 94-455 struck out “or his delegate” after “Secretary” wherever appearing.

1958—Subsec. (a). Pub. L. 85-859, §165(b), struck out provisions which authorized the Secretary to make allowances for or redeem stamps which through mistake may have been improperly or unnecessarily used, or where the rates or duties represented thereby have been excessive in amount, paid in error, or in any manner wrongfully collected.

Subsec. (c). Pub. L. 85-859, §165(c), inserted “under this section” after “shall be allowed”.

EFFECTIVE DATE OF 1958 AMENDMENT

Amendment by Pub. L. 85-859 effective on first day of first calendar quarter which begins more than 60 days after Sept. 2, 1958, see section 1(c) of Pub. L. 85-859.

§ 6806. Occupational tax stamps

Every person engaged in any business, avocation, or employment, who is thereby made liable to a special tax (other than a special tax under subchapter B of chapter 35, under subchapter B of chapter 36, or under subtitle E) shall place and keep conspicuously in his establishment or

place of business all stamps denoting payment of such special tax.

(Aug. 16, 1954, ch. 736, 68A Stat. 831; Pub. L. 89-44, title VI, §601(e), June 21, 1965, 79 Stat. 155; Pub. L. 90-618, title II, §204, Oct. 22, 1968, 82 Stat. 1235.)

REFERENCES IN TEXT

Subchapter B of chapter 36, referred to in text, was repealed by Pub. L. 95-600, title V, §521(b), Nov. 6, 1978, 92 Stat. 2884.

AMENDMENTS

1968—Pub. L. 90-618 substituted "Occupational tax stamps" for "Posting occupational tax stamps" in section catchline, and substituted provisions that every person liable for a special tax (other than a special tax under subchapter B of chapter 35, under subchapter B of chapter 36, or under subtitle E of this title) conspicuously place and keep in his place of business all stamps denoting payment of such special tax for provisions that every person liable for a special tax conspicuously place and keep in his place or business all stamps denoting payment of said special tax, provisions that authorized the Secretary or his delegate to require that the stamps denoting the payment of the special tax imposed by section 4461 of this title be posted on or in each device so that it will be visible to any person operating the device, and provisions that every person liable for the special tax under section 4411 of this title place the stamp denoting payment of such special tax in a conspicuous place in his place of business, or, if he has no such place of business, to keep such stamp on his person.

1965—Subsec. (b). Pub. L. 89-44 struck out "amusement and" after "Coin-operated" in heading.

EFFECTIVE DATE OF 1968 AMENDMENT

Amendment by Pub. L. 90-618 effective Oct. 22, 1968, see section 207 of Pub. L. 90-618, set out as an Effective Date note under section 5801 of this title.

EFFECTIVE DATE OF 1965 AMENDMENT

Amendment by Pub. L. 89-44 to take effect in a manner consistent with effective date of change of tax provision to which related, see section 701(e) of Pub. L. 89-44, set out as a note under section 6103 of this title.

§ 6807. Stamping, marking, and branding seized goods

If any article of manufacture or produce requiring brands, stamps, or marks of whatever kind to be placed thereon, is sold upon levy, forfeiture (except as provided in section 5688 with respect to distilled spirits), or other process provided by law, the same not having been branded, stamped, or marked, as required by law, the officer selling the same shall, upon sale thereof, fix or cause to be affixed the brands, stamps, or marks so required.

(Aug. 16, 1954, ch. 736, 68A Stat. 831.)

§ 6808. Special provisions relating to stamps

For special provisions on stamps relating to—

- (1) **Distilled spirits and fermented liquors, see chapter 51.**
- (2) **Machine guns and short-barrelled firearms, see chapter 53.**
- (3) **Tobacco, snuff, cigars and cigarettes, see chapter 52.**

(Aug. 16, 1954, ch. 736, 68A Stat. 831; Pub. L. 88-36, title II, §201(d), June 4, 1963, 77 Stat. 54; Pub. L. 89-44, title VI, §601(f), June 21, 1965, 79 Stat. 155;

Pub. L. 91-513, title III, §1102(c), Oct. 27, 1970, 84 Stat. 1292; Pub. L. 93-490, §3(b)(6), Oct. 26, 1974, 88 Stat. 1467; Pub. L. 94-455, title XIX, §§1904(b)(5)(B), (7)(A), (8)(B), (9)(A), 1952(n)(1), Oct. 4, 1976, 90 Stat. 1815, 1816, 1846.)

AMENDMENTS

1976—Par. (1). Pub. L. 94-455, §1952(n)(1), redesignated par. (3) as (1).

Par. (2). Pub. L. 94-455, §1952(n)(1), redesignated par. (6) as (2). Former par. (2), relating to cotton futures, with the included reference to subchapter D of chapter 39, was struck out.

Par. (3). Pub. L. 94-455, §1952(n)(1), redesignated par. (11) as (3). Former par. (3) redesignated (1).

Par. (4). Pub. L. 94-455, §1904(b)(5)(B), struck out par. (4) relating to documents and other instruments, with the included reference to chapter 34.

Par. (6). Pub. L. 94-455, §1952(n)(1), redesignated par. (6) as (2).

Par. (7). Pub. L. 94-455, §1904(b)(7)(A), struck out par. (7) relating to oleomargarine, with the included reference to subchapter F of chapter 38.

Par. (10). Pub. L. 94-455, §1904(b)(9)(A), struck out par. (10) relating to process, renovated, or adulterated butter, with the included reference to subchapter C of chapter 39.

Par. (11). Pub. L. 94-455, §1952(n)(1), redesignated par. (11) as (3).

Par. (12). Pub. L. 94-455, §1904(b)(8)(B), struck out par. (12) relating to white phosphorous matches, with the included reference to subchapter B of chapter 39.

1974—Par. (5). Pub. L. 93-490 struck out par. (5) relating to filled cheese, with the included reference to subchapter C of chapter 39.

1970—Par. (8). Pub. L. 91-513 struck out par. (8) relating to opium, opium for smoking, opiates, coca leaves, and marihuana, with the included reference to subchapter A of chapter 39.

1965—Par. (1). Pub. L. 89-44 struck out par. (1) relating to capital stock.

Par. (9). Pub. L. 89-44 struck out par (9) relating to playing cards.

1963—Pars. (11) to (13). Pub. L. 88-36 redesignated pars. (12) and (13) as (11) and (12), respectively, and struck out former par. (11), which was a cross reference provision for silver bullion, to subchapter F of chapter 9.

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by section 1904(b)(5)(B), (7)(A), (8)(B), (9)(A) of Pub. L. 94-455 effective on first day of first month which begins more than ninety days after Oct. 4, 1976, see section 1904(d) of Pub. L. 94-455, set out as a note under section 4041 of this title.

Amendment by section 1952(n)(1) of Pub. L. 94-455 effective on ninetieth day after Oct. 4, 1976, see section 1952(o) of Pub. L. 94-455, set out as an Effective Date note under section 15b of Title 7, Agriculture.

EFFECTIVE DATE OF 1974 AMENDMENT

Amendment by Pub. L. 93-490 applicable to filled cheese manufactured, imported, or sold after Oct. 26, 1974, see section 3(c) of Pub. L. 93-490, set out as an Effective Date of Repeal note under former sections 4831 to 4834 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91-513 effective on first day of seventh calendar month that begins after Oct. 26, 1970, see section 1105(a) of Pub. L. 91-513, set out as an Effective Date note under section 951 of Title 21, Food and Drugs.

EFFECTIVE DATE OF 1965 AMENDMENT

Amendment by Pub. L. 89-44 to take effect in a manner consistent with effective date of change of tax provision to which related, see section 701(e) of Pub. L. 89-44, set out as a note under section 6103 of this title.

EFFECTIVE DATE OF 1963 AMENDMENT

Amendment by Pub. L. 88-36 applicable only with respect to transfers after June 4, 1963, see section 202 of Pub. L. 88-36.

SAVINGS PROVISION

Prosecutions for any violation of law occurring, and civil seizures or forfeitures and injunctive proceedings commenced, prior to the effective date of amendment of this section by section 1102 of Pub. L. 91-513 not to be affected or abated by reason thereof, see section 1103 of Pub. L. 91-513, set out as a note under section 171 of Title 21, Food and Drugs.

CHAPTER 70—JEOPARDY, RECEIVERSHIPS, ETC.

Subchapter	Sec. ¹
A. Jeopardy	6851
B. Receiverships, etc	6871

AMENDMENTS

1980—Pub. L. 96-589, §6(g)(3)(C), (D), Dec. 24, 1980, 94 Stat. 3410, substituted “JEOPARDY, RECEIVERSHIPS ETC.” for “JEOPARDY, BANKRUPTCY AND RECEIVERSHIPS” in chapter heading, and “Receiverships, etc.” for “Bankruptcy and receiverships” in item for subchapter B.

Subchapter A—Jeopardy

Part	
I.	Termination of taxable year.
II.	Jeopardy assessments.
III.	Special rules with respect to certain cash.

AMENDMENTS

1982—Pub. L. 97-248, title III, §330(b), Sept. 3, 1982, 96 Stat. 620, added item for part III.

PART I—TERMINATION OF TAXABLE YEAR

Sec.	
6851.	Termination assessments of income tax.
6852.	Termination assessments in case of flagrant political expenditures of section 501(c)(3) organizations.

AMENDMENTS

1987—Pub. L. 100-203, title X, §10713(b)(2)(H), Dec. 22, 1987, 101 Stat. 1330-470, added item 6852.

1976—Pub. L. 94-455, title XII, §1204(c)(12), Oct. 4, 1976, 90 Stat. 1699, substituted “assessments of income tax” for “of taxable year” in item 6851.

§ 6851. Termination assessments of income tax

(a) Authority for making

(1) In general

If the Secretary finds that a taxpayer designs quickly to depart from the United States or to remove his property therefrom, or to conceal himself or his property therein, or to do any other act (including in the case of a corporation distributing all or a part of its assets in liquidation or otherwise) tending to prejudice or to render wholly or partially ineffectual proceedings to collect the income tax for the current or the immediately preceding taxable year unless such proceeding be brought without delay, the Secretary shall immediately make a determination of tax for the current taxable year or for the preceding taxable year, or both, as the case may be, and

notwithstanding any other provision of law, such tax shall become immediately due and payable. The Secretary shall immediately assess the amount of the tax so determined (together with all interest, additional amounts, and additions to the tax provided by law) for the current taxable year or such preceding taxable year, or both, as the case may be, and shall cause notice of such determination and assessment to be given the taxpayer, together with a demand for immediate payment of such tax.

(2) Computation of tax

In the case of a current taxable year, the Secretary shall determine the tax for the period beginning on the first day of such current taxable year and ending on the date of the determination under paragraph (1) as though such period were a taxable year of the taxpayer, and shall take into account any prior determination made under this subsection with respect to such current taxable year.

(3) Treatment of amounts collected

Any amounts collected as a result of any assessments under this subsection shall, to the extent thereof, be treated as a payment of tax for such taxable year.

(4) This section inapplicable where section 6861 applies

This section shall not authorize any assessment of tax for the preceding taxable year which is made after the due date of the taxpayer's return for such taxable year (determined with regard to any extensions).

(b) Notice of deficiency

If an assessment of tax is made under the authority of subsection (a), the Secretary shall mail a notice under section 6212(a) for the taxpayer's full taxable year (determined without regard to any action taken under subsection (a)) with respect to which such assessment was made within 60 days after the later of (i) the due date of the taxpayer's return for such taxable year (determined with regard to any extensions), or (ii) the date such taxpayer files such return. Such deficiency may be in an amount greater or less than the amount assessed under subsection (a).

(c) Citizens

In the case of a citizen of the United States or of a possession of the United States about to depart from the United States, the Secretary may, at his discretion, waive any or all of the requirements placed on the taxpayer by this section.

(d) Departure of alien

Subject to such exceptions as may, by regulations, be prescribed by the Secretary—

(1) No alien shall depart from the United States unless he first procures from the Secretary a certificate that he has complied with all the obligations imposed upon him by the income tax laws.

(2) Payment of taxes shall not be enforced by any proceedings under the provisions of this section prior to the expiration of the time otherwise allowed for paying such taxes if, in the case of an alien about to depart from the

¹ Section numbers editorially supplied.