

TITLE 26 - INTERNAL REVENUE CODE**Subtitle A - Income Taxes****CHAPTER 1 - NORMAL TAXES AND SURTAXES****Subchapter M - Regulated Investment Companies and Real Estate Investment Trusts****PART II - REAL ESTATE INVESTMENT TRUSTS****§ 858. Dividends paid by real estate investment trust after close of taxable year****(a) General rule**

For purposes of this part, if a real estate investment trust—

(1) declares a dividend before the time prescribed by law for the filing of its return for a taxable year (including the period of any extension of time granted for filing such return), and

(2) distributes the amount of such dividend to shareholders or holders of beneficial interests in the 12-month period following the close of such taxable year and not later than the date of the first regular dividend payment made after such declaration,

the amount so declared and distributed shall, to the extent the trust elects in such return (and specifies in dollar amounts) in accordance with regulations prescribed by the Secretary, be considered as having been paid only during such taxable year, except as provided in subsections (b) and (c).

(b) Receipt by shareholder

Except as provided in section 857 (b)(8), amounts to which subsection (a) applies shall be treated as received by the shareholder or holder of a beneficial interest in the taxable year in which the distribution is made.

(c) Notice to shareholders

In the case of amounts to which subsection (a) applies, any notice to shareholders or holders of beneficial interests required under this part with respect to such amounts shall be made not later than 30 days after the close of the taxable year in which the distribution is made (or mailed to its shareholders or holders of beneficial interests with its annual report for the taxable year).

(Added Pub. L. 86–779, § 10(a), Sept. 14, 1960, 74 Stat. 1008; amended Pub. L. 94–455, title XVI, §§ 1604(h), title XIX, § 1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1752, 1834; Pub. L. 99–514, title VI, §§ 665(b)(2), 668 (b)(1)(B), Oct. 22, 1986, 100 Stat. 2304, 2307; Pub. L. 100–647, title I, § 1018(u)(27), Nov. 10, 1988, 102 Stat. 3591.)

Amendments

1988—Subsec. (b). Pub. L. 100–647, § 1018(u)(27), made technical correction to directory language of Pub. L. 99–514, see 1986 Amendment note below.

1986—Subsec. (b). Pub. L. 99–514, § 668(b)(1)(B), as amended by Pub. L. 100–647, § 1018(u)(27), substituted “Except as provided in section 857 (b)(8), amounts” for “Amounts”.

Subsec. (c). Pub. L. 99–514, § 665(b)(2), inserted “(or mailed to its shareholders or holders of beneficial interests with its annual report for the taxable year)”.

1976—Subsec. (a). Pub. L. 94–455, §§ 1604(h), 1906 (b)(13)(A), inserted “(and specifies in dollar amounts)” after “to the extent the trust elects in such return” and substituted “paid only during such taxable year” for “paid during such taxable year”, and struck out “or his delegate” after “Secretary”.

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.

NB: This unofficial compilation of the U.S. Code is current as of Jan. 4, 2010 (see <http://www.law.cornell.edu/uscode/uscpri.html>).

Effective Date of 1986 Amendment

Amendment by section 665(b)(2) of Pub. L. 99-514 applicable to taxable years beginning after Dec. 31, 1986, and by section 668(b)(1)(B) of Pub. L. 99-514 applicable to calendar years beginning after Dec. 31, 1986, see section 669 of Pub. L. 99-514, set out as a note under section 856 of this title.

Effective Date of 1976 Amendment

For effective date of amendment by section 1604(h) of Pub. L. 94-455, see section 1608(d) of Pub. L. 94-455, set out as a note under section 856 of this title.

Effective Date

Section applicable with respect to taxable years of real estate investment trusts beginning after Dec. 31, 1960, see section 10(k) of Pub. L. 86-779, set out as a note under section 856 of this title.