

TITLE 26 - INTERNAL REVENUE CODE
Subtitle D - Miscellaneous Excise Taxes
CHAPTER 33 - FACILITIES AND SERVICES
Subchapter C - Transportation by Air
PART I - PERSONS

§ 4263. Special rules

(a) Payments made outside the United States for prepaid orders

If the payment upon which tax is imposed by section 4261 is made outside the United States for a prepaid order, exchange order, or similar order, the person furnishing the initial transportation pursuant to such order shall collect the amount of the tax.

(b) Tax deducted upon refunds

Every person who refunds any amount with respect to a ticket or order which was purchased without payment of the tax imposed by section 4261 shall deduct from the amount refundable, to the extent available, any tax due under such section as a result of the use of a portion of the transportation purchased in connection with such ticket or order, and shall report to the Secretary the amount of any such tax remaining uncollected.

(c) Payment of tax

Where any tax imposed by section 4261 is not paid at the time payment for transportation is made, then, under regulations prescribed by the Secretary, to the extent that such tax is not collected under any other provision of this subchapter, such tax shall be paid by the carrier providing the initial segment of such transportation which begins or ends in the United States.

(d) Application of tax

The tax imposed by section 4261 shall apply to any amount paid within the United States for transportation of any person by air unless the taxpayer establishes, pursuant to regulations prescribed by the Secretary at the time of payment for the transportation, that the transportation is not transportation in respect of which tax is imposed by section 4261.

(e) Round trips

In applying this subchapter to a round trip, such round trip shall be considered to consist of transportation from the point of departure to the destination, and of separate transportation thereafter.

(f) Transportation outside the northern portion of the Western Hemisphere

In applying this subchapter to transportation any part of which is outside the northern portion of the Western Hemisphere, if the route of such transportation leaves and reenters the northern portion of the Western Hemisphere, such transportation shall be considered to consist of transportation to a point outside such northern portion, and of separate transportation thereafter. For purposes of this subsection, the term “northern portion of the Western Hemisphere” means the area lying west of the 30th meridian west of Greenwich, east of the international dateline, and north of the Equator, but not including any country of South America.

(Added July 25, 1956, ch. 725, § 4(a), 70 Stat. 645, § 4264; amended Pub. L. 87–508, § 5(b), June 28, 1962, 76 Stat. 117; renumbered § 4263, Pub. L. 91–258, title II, § 205(c)(2), May 21, 1970, 84 Stat. 242; amended Pub. L. 94–455, title XIX, § 1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1834; Pub. L. 105–34, title X, § 1031(c)(3), Aug. 5, 1997, 111 Stat. 932.)

Prior Provisions

A prior section 4263, acts Aug. 16, 1954, ch. 736, 68A Stat. 506, § 4263, formerly § 4262; renumbered § 4263 and amended July 25, 1956, ch. 725, § 2, 70 Stat. 644; Aug. 7, 1956, ch. 1024, § 1, 70 Stat. 1077; June 29, 1957, Pub. L.

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>).

85–74, 71 Stat. 243; Sept. 2, 1958, Pub. L. 85–859, title I, § 134, 72 Stat. 1292; June 28, 1962, Pub. L. 87–508, § 5(b), 76 Stat. 117, provided for exemptions, subsecs. (a) to (d) relating to commutation travel, etc., certain organizations; members of the Armed Forces, and small aircraft on nonestablished lines, respectively, prior to repeal by Pub. L. 91–258, title II, § 205(c)(1), May 21, 1970, 84 Stat. 242, effective on July 1, 1970, as provided in section 211(a) of Pub. L. 91–258, set out as a note under section 4041 of this title.

Amendments

1997—Subsec. (c). Pub. L. 105–34 substituted “subchapter, such tax shall be paid by the carrier providing the initial segment of such transportation which begins or ends in the United States.” for “subchapter—

“(1) such tax shall be paid by the person paying for the transportation or by the person using the transportation;

“(2) such tax shall be paid within such time as the Secretary shall prescribe by regulations after whichever of the following first occurs:

“(A) the rights to the transportation expire; or

“(B) the time when the transportation becomes subject to tax; and

“(3) payment of such tax shall be made to the Secretary, to the person to whom the payment for transportation was made, or, in the case of transportation other than transportation described in section 4262 (a)(1), to any person furnishing any portion of such transportation.”

1976—Subsecs. (b) to (d). Pub. L. 94–455 struck out “or his delegate” after “Secretary”.

1962—Subsec. (c)(3). Pub. L. 87–508 provided for payment of tax, in the case of transportation other than transportation described in section 4262 (a)(1), to any person furnishing any portion of the transportation.

Subsec. (d). Pub. L. 87–508 inserted “by air” after “transportation of any person”.

Subsec. (e). Pub. L. 87–508 substituted “subchapter” for “part”.

Subsec. (f). Pub. L. 87–508 substituted “subchapter” for “part”, struck out par. (1) designation for provision respecting transportation outside the northern portion of the Western Hemisphere and par. (2) prohibiting consideration as a stop at a port within the United States a stop at an intermediate port at which vessel is not authorized to discharge and take on passengers.

Effective Date of 1997 Amendment

Amendment by Pub. L. 105–34 applicable to transportation beginning on or after Oct. 1, 1997, with special rule for applicability to amounts paid before Oct. 1, 1997, see section 1031(e)(2) of Pub. L. 105–34, set out as a note under section 4261 of this title.

Effective Date of 1962 Amendment

Section 5(b) of Pub. L. 87–508 provided that the amendment made by that section is effective with respect to transportation beginning after Nov. 15, 1962.

Effective Date

Section applicable to amounts paid on or after first day of first month which begins more than sixty days after July 25, 1956, for transportation commencing on or after such first day, see section 6 of act July 25, 1956, set out as an Effective Date of 1956 Amendment note under section 4261 of this title.