

Social Security Act [section 401 et seq. of Title 42] on the basis of the wages and self-employment income of any individual for months in or after the calendar year in which such individual's application for revocation (as described in such subsection) is filed (and lump-sum death payments payable under such title on the basis of such wages and self-employment income in the case of deaths occurring in or after such calendar year)."

ELECTION OF EXEMPTION OF FEES FROM COVERAGES
SELF-EMPLOYMENT INCOME

Section 122(c)(2) of Pub. L. 90-248 authorized any individual affected by the amendments made by Pub. L. 90-248 to subsecs. (c)(1), (2)(E) of this section and section 411(c)(1), (2)(E) of Title 42, The Public Health and Welfare, to make an irrevocable election not to have such amendments apply to fees received in 1968 and every year thereafter if he filed, on or before the due date of his income tax return for 1968, with the Secretary of the Treasury, a certificate of election of exemption from such amendments.

TIME FOR CLAIM FOR REFUND OR CREDIT OF
OVERPAYMENT; DISALLOWANCE OF INTEREST

Section 501(c) of Pub. L. 90-248 authorized the payment of a refund or credit of any overpayment resulting from the amendment of subsec. (h)(2), relating to the filing of applications under this section, by section 501(a) of Pub. L. 90-248 if the claim therefore was filed on or before Dec. 31, 1968.

REFUND OR CREDIT ON CLAIMS FOR OVERPAYMENT
FILED BEFORE APRIL 15, 1966, BY MEMBERS OF RELIGIOUS
GROUPS OPPOSED TO INSURANCE

Section 319(f) of Pub. L. 89-97 authorized the payment of a refund or credit of any overpayment resulting from the amendments made to sections 402, 411, and 1402 of this title by Pub. L. 89-97, if the claim therefore is filed on or before Apr. 15, 1966.

COMPUTATION OF INTEREST OR ASSESSMENT OF PENALTIES
ON SELF-EMPLOYMENT TAXES PAYABLE BY
MINISTERS, MEMBERS OF RELIGIOUS ORDERS, AND
CHRISTIAN SCIENCE PRACTITIONERS

Section 331(b) of Pub. L. 89-97 established, for purposes of computing interest, Apr. 15, 1967, as the due date for the payment, under section 1401 of this title, of taxes due for any taxable year ending before Jan. 1, 1966 solely by reason of the filing of a certificate or supplementary certificate under subsec. (e)(5) of this section, which was struck out by section 115(b)(2) of Pub. L. 90-248.

COMPUTATION OF INTEREST OR ASSESSMENT OF PENALTIES
ON SELF-EMPLOYMENT TAXES PAYABLE BY
MINISTERS, MEMBERS OF RELIGIOUS ORDERS, AND
CHRISTIAN SCIENCE PRACTITIONERS

Section 101(d) of Pub. L. 86-778 established, for purposes of computing interest, Apr. 15, 1962, as the due date for the payment, under section 1401 of this title, of taxes due for any taxable year ending before 1959 solely by reason of the filing of a certificate or supplementary certificate under subsec. (e)(3)(B) or (5) of this section.

Section 1(c) of Pub. L. 85-239 established the due date, for purposes of computing interest, for the payment of taxes, where a certificate had been filed under subsec. (e)(3)(A) or (B) of this section after the due date of a return for any taxable year.

REMUNERATION DEEMED NET EARNINGS FROM SELF-EMPLOYMENT
AND NOT REMUNERATION FOR EMPLOYMENT

Section 105(c)(2) of Pub. L. 86-778, as amended by Pub. L. 99-514, § 2, Oct. 22, 1986, 100 Stat. 2095, provided that: "Remuneration which is deemed under section 1402(g) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] to constitute net earnings from self-employment and not remuneration for employment shall also be deemed, for purposes of title II of the Social Security

Act [section 401 et seq. of Title 42, The Public Health and Welfare], to constitute net earnings from self-employment and not remuneration for employment. If, pursuant to the last sentence of section 1402(g) of the Internal Revenue Code of 1986, an individual is deemed to have become an employee of an organization (or to have become a member of a group) on the first day of a calendar quarter, such individual shall likewise be deemed, for purposes of clause (ii) or (iii) of section 210(a)(8)(B) of the Social Security Act [section 410(a)(18)(B)(ii), (iii) of Title 42], to have become an employee of such organization (or to have become a member of such group) on such day."

REMUNERATION PAID TO MINISTERS, MEMBERS OF RELIGIOUS
ORDERS, AND CHRISTIAN SCIENCE PRACTITIONERS IN 1955
AND 1956 DEEMED REMUNERATION FOR EMPLOYMENT
FOR PURPOSES OF SOCIAL SECURITY BENEFITS

Section 3 of Pub. L. 85-239, as amended by Pub. L. 99-514, § 2, Oct. 22, 1986, 100 Stat. 2095, provided that: "Remuneration which is deemed under section 1402(e)(4) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] to constitute remuneration for employment shall also be deemed, notwithstanding sections 210(a)(8)(A) and 211(c) of the Social Security Act [sections 410(a)(8)(A) and 411(c) of Title 42, The Public Health and Welfare], to constitute remuneration for employment (and not net earnings from self-employment) for purposes of title II of such Act [section 401 et seq. of Title 42]." See section 4 of Pub. L. 85-239, set out as an Effective Date of 1957 Amendment note above.

MONTHLY BENEFITS AND LUMP-SUM DEATH PAYMENTS
UNDER SOCIAL SECURITY ACT

Section 105(d)(2) of Pub. L. 86-778, set out as an Effective Date of 1960 Amendment note under section 3121 of this title, provided that no monthly benefits under title II of the Social Security Act [section 401 et seq. of Title 42, The Public Health and Welfare], for September 1960 or any prior month shall be payable or increased by reason of the provisions of subsections (b) and (c) of section 105 or the amendments made by such subsections [adding subsec. (g) to this section and enacting notes under this section and section 3121 of this title], and no lump-sum death payment under title II of the Social Security Act shall be payable or increased by reason of such provisions or amendments in the case of any individual who died prior to Sept. 13, 1960.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 32, 162, 219, 401, 408, 475, 879, 981, 2032A, 3121, 3127, 6103, 6521, 6654 of this title; title 42 sections 401, 402, 411, 430.

§ 1403. Miscellaneous provisions

(a) Title of chapter

This chapter may be cited as the "Self-Employment Contributions Act of 1954".

(b) Cross references

(1) For provisions relating to returns, see section 6017.

(2) For provisions relating to collection of taxes in Virgin Islands, Guam, American Samoa, and Puerto Rico, see section 7651.

(Aug. 16, 1954, ch. 736, 68A Stat. 355; Pub. L. 86-778, title I, § 103(m), Sept. 13, 1960, 74 Stat. 938; Pub. L. 89-368, title I, § 102(b)(6), Mar. 15, 1966, 80 Stat. 64; Pub. L. 98-369, div. A, title IV, § 412(b)(2), July 18, 1984, 98 Stat. 792.)

AMENDMENTS

1984—Subsec. (b)(3). Pub. L. 98-369 struck out par. (3) referring to section 6015 for provisions relating to declarations of estimated tax on self-employment income.

1966—Subsec. (b)(3). Pub. L. 89-368 added par. (3).
 1960—Subsec. (b)(2). Pub. L. 86-778 included Guam and American Samoa.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-369 applicable with respect to taxable years beginning after Dec. 31, 1984, see section 414(a)(1) of Pub. L. 98-369, set out as a note under section 6654 of this title.

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89-368 applicable with respect to taxable years beginning after December 31, 1966, see section 102(d) of Pub. L. 89-368, set out as a note under section 6654 of this title.

CHAPTER 3—WITHHOLDING OF TAX ON NONRESIDENT ALIENS AND FOREIGN CORPORATIONS

Subchapter	Sec. ¹
A. Nonresident aliens and foreign corporations	1441
B. Application of withholding provisions ..	1461

AMENDMENTS

1984—Pub. L. 98-369, div. A, title IV, §474(r)(29)(B), (C), July 18, 1984, 98 Stat. 844, struck out “AND TAX-FREE COVENANT BONDS” after “FOREIGN CORPORATIONS” in heading of chapter 3, and struck out item for subchapter B “Tax-free covenant bonds” and redesignated the item for subchapter C as B.

CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in sections 864, 896, 6414, 6501, 6513, 6724, 7851 of this title.

Subchapter A—Nonresident Aliens and Foreign Corporations

Sec.	
1441.	Withholding of tax on nonresident aliens.
1442.	Withholding of tax on foreign corporations.
1443.	Foreign tax-exempt organizations.
1444.	Withholding on Virgin Islands source income.
1445.	Withholding of tax on dispositions of United States real property interests.
1446.	Withholding of tax on foreign partners' share of effectively connected income.

AMENDMENTS

1988—Pub. L. 100-647, title I, §1012(s)(1)(C), Nov. 10, 1988, 102 Stat. 3527, substituted “Withholding of tax on foreign partners' share of effectively connected income” for “Withholding tax on amounts paid by partnerships to foreign partners” in item 1446.

1986—Pub. L. 99-514, title XII, §1246(c), Oct. 22, 1986, 100 Stat. 2582, added item 1446.

1984—Pub. L. 98-369, div. A, title I, §129(a)(2), July 18, 1984, 98 Stat. 659, added item 1445.

1983—Pub. L. 97-455, §1(d)(2), Jan. 12, 1983, 96 Stat. 2498, added item 1444.

SUBCHAPTER REFERRED TO IN OTHER SECTIONS

This subchapter is referred to in sections 33, 3405, 6049 of this title.

§ 1441. Withholding of tax on nonresident aliens

(a) General rule

Except as otherwise provided in subsection (c), all persons, in whatever capacity acting (including lessees or mortgagors of real or personal property, fiduciaries, employers, and all officers and employees of the United States) having the

control, receipt, custody, disposal, or payment of any of the items of income specified in subsection (b) (to the extent that any of such items constitutes gross income from sources within the United States), of any nonresident alien individual or of any foreign partnership shall (except as otherwise provided in regulations prescribed by the Secretary under section 874) deduct and withhold from such items a tax equal to 30 percent thereof, except that in the case of any item of income specified in the second sentence of subsection (b), the tax shall be equal to 14 percent of such item.

(b) Income items

The items of income referred to in subsection (a) are interest (other than original issue discount as defined in section 1273), dividends, rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable annual or periodical gains, profits, and income, gains described in section 631(b) or (c), amounts subject to tax under section 871(a)(1)(C), gains subject to tax under section 871(a)(1)(D), and gains on transfers described in section 1235 made on or before October 4, 1966. The items of income referred to in subsection (a) from which tax shall be deducted and withheld at the rate of 14 percent are amounts which are received by a nonresident alien individual who is temporarily present in the United States as a nonimmigrant under subparagraph (F), (J), (M), or (Q) of section 101(a)(15) of the Immigration and Nationality Act and which are—

(1) incident to a qualified scholarship to which section 117(a) applies, but only to the extent includible in gross income; or

(2) in the case of an individual who is not a candidate for a degree at an educational organization described in section 170(b)(1)(A)(ii), granted by—

(A) an organization described in section 501(c)(3) which is exempt from tax under section 501(a),

(B) a foreign government,

(C) an international organization, or a binational or multinational educational and cultural foundation or commission created or continued pursuant to the Mutual Educational and Cultural Exchange Act of 1961, or

(D) the United States, or an instrumentality or agency thereof, or a State, or a possession of the United States, or any political subdivision thereof, or the District of Columbia,

as a scholarship or fellowship for study, training, or research in the United States. In the case of a nonresident alien individual who is a member of a domestic partnership, the items of income referred to in subsection (a) shall be treated as referring to items specified in this subsection included in his distributive share of the income of such partnership.

(c) Exceptions

(1) Income connected with United States business

No deduction or withholding under subsection (a) shall be required in the case of any

¹ Section numbers editorially supplied.