

(2) *Return required under section 6045.* No transferor shall be required to notify a partnership of the sale or exchange of a partnership interest under section 6050K (c) (1) or paragraph (d) (1) of this section if a return is required to be filed under section 6045 with respect to such sale or exchange.

(e) *Partnership not required to make a return or furnish statements under this section until it has notice of the exchange.* A partnership shall not be required to make a return or furnish statements under section 6050K and this section with respect to any section 751 (a) exchange until it has been notified of the exchange. For purposes of section 6050K (c) (2) and this section, a partnership is notified of a section 751 (a) exchange when either:

(1) The partnership receives the written notification from the transferor required under paragraph (d) of this section; or

(2) The partnership has knowledge that there has been a transfer of a partnership interest or any portion thereof, and, at the time of the transfer, the partnership had any section 751 property. However, no return or statements are required under section 6050K if the transfer was not a section 751 (a) exchange (e.g., a transfer which in its entirety constitutes a gift for federal income tax purposes). For purposes of this paragraph (e) (2), the partnership may rely on a written statement from the transferor that the transfer was not a section 751 (a) exchange in the absence of knowledge to the contrary. For rules applicable where the partnership is in doubt as to whether partnership property constitutes section 751 property to any extent or as to whether a transfer of a partnership interest constitutes a section 751 (a) exchange, see paragraph (a) (1) of this section.

(f) *Partnership return is to be attached to Form 1065—(1) In general.* Any partnership return on Form 8308 required under this section shall be filed as an attachment to the partnership's Form 1065 for its taxable year in which the calendar year in which the section 751 (a) exchange occurred ends and shall be filed at the time (determined with regard to any extension of time for filing) and place prescribed for filing of the partnership's Form 1065 for that

taxable year (see paragraph (e) of §1.6031-1 for the time and place for filing Form 1065).

(2) *Notification after Form 1065 is filed.* If a partnership is notified of an exchange (as defined in paragraph (e) of this section) after the partnership has filed Form 1065 for the taxable year with respect to which the exchange should have been reported, Form 8308 shall be filed with the service center or other Internal Revenue office with which the partnership's Form 1065 was filed, on or before the thirtieth day after the partnership is notified of the exchange.

(g) *Penalties.* For penalties for failure of:

(1) Transferors to furnish the notification required by paragraph (d) of this section see section 6722 (b);

(2) Partnerships to furnish any statement required under paragraph (c) of this section see section 6722 (a); and

(3) Partnerships to file the return on Form 8308 as required by paragraph (a) of this section see section 6721.

[T.D. 8119, 52 FR 41, Jan. 2, 1987]

**§1.6050L-1 Information return by donees relating to certain dispositions of donated property.**

(a) *Information returns—(1) Disposition of charitable deduction property.* If a donee of any charitable deduction property (as defined in paragraph (e) of this section), sells, exchanges, consumes, or otherwise disposes of (with or without consideration) such property (or any portion thereof) within 2 years after the date of the donor's contribution of such property, the donee shall make an information return on the form prescribed by the Internal Revenue Service. For special rules with respect to successor donees, see paragraph (c) of this section.

(2) *Disposition of items appraised for \$500 or less—(i) In general.* Paragraph (a)(1) of this section shall not apply with respect to an item of charitable deduction property disposed of by sale if the appraisal summary (as defined in §1.170A-13(c)(4)) signed by the donee with respect to the item contains, at the time of the donee's signature, a statement signed by the donor that the appraised value of the item does not exceed \$500. In the case of an appraisal

summary that describes more than one item, this exception shall apply only with respect to an item clearly identified as having an appraised value of \$500 or less. For purposes of this paragraph (a)(2)(i), items that form a set (such as, for example, a collection of books written by the same author, components of a stereo system, or a group of place settings of a pattern of silverware) are considered one item. In addition, all nonpublicly traded stock is considered one item as are all nonpublicly traded securities other than nonpublicly traded stock.

(ii) *Transitional rule.* Paragraph (a)(2)(i) of this section is satisfied with respect to an appraisal summary submitted to the donee on or before January 31, 1986, if such donee obtained the required statement from the donor on or before March 31, 1986, on either an amended appraisal summary or an attachment to the original appraisal summary.

(3) *Consumption for distribution of exempt purpose.* Paragraph (a)(1) of this section shall not apply with respect to an item of charitable deduction property consumed or distributed by a donee without consideration if the consumption or distribution is in furtherance of a purpose or function constituting a basis for such donee's exemption under section 501 of the Code. For example, no reporting is required with respect to medical supplies consumed or distributed by a tax-exempt relief organization in aiding disaster victims.

(b) *Information required to be provided on return.* The information return required by paragraph (a)(1) of this section shall include the following:

(1) The name, address, and employer identification number of the donee making the information return;

(2) A description of the property (or portion disposed of) in sufficient detail to identify the charitable deduction property received by such donee;

(3) The name and taxpayer identification number of the donor (social security number if the donor is an individual or employer identification number if the donor is a corporation or partnership);

(4) The date of the contribution to such donee;

(5) Any amount received by such donee with respect to the disposition;

(6) The date of the disposition by such donee; and

(7) Such other information as may be specified by the form or its instructions.

(c) *Successor donees—(1) In general.* Section 6050L and this section shall apply to successor donees that receive charitable deduction property (as defined in paragraph (e) of this section) that was transferred by the original donee after July 5, 1988, (whether the successor donee received the property from the original donee or another successor donee). For definitions of the terms “donor,” “donee,” “original donee,” and “successor donee,” see § 1.170A-13(c)(7)(iv)-(vii).

(2) *Information required to be provided on return.* With respect to charitable deduction property that is transferred to one or more successor donees to which this section applies, the information return required by paragraph (a)(1) of this section shall include, in addition to the information described in paragraph (b) of this section, the following:

(i) The name, address, and employer identification number of the immediately succeeding successor donee (if any) and the immediately preceding successor donee (if any);

(ii) The name, address, and employer identification number of the original donee if different from the information required by paragraph (b)(1) of this section;

(iii) The date of contribution to the original donee; and

(iv) Such other information as may be specified by the form or its instructions.

(3) *Information to be provided to transferor.* Every successor donee to which this section applies that receives any charitable deduction property within the 2-year period described in paragraph (a)(1) of this section shall provide its name, address, and employer identification number to that preceding donee on or before the 15th day after the later of—

(i) The date of transfer to such successor donee, or

(ii) The date such successor donee receives a copy of the appraisal summary from the preceding donee.

(4) *Donees that transfer property to successor donees.* In addition to complying with the requirements of paragraph (a)(1) of this section, every donee that transfers any charitable deduction property to a successor donee to which this section applies within the 2-year period described in paragraph (a)(1) of this section—

(i) Shall provide its name, address, and employer identification number and a copy of the appraisal summary (as described in §1.170A-13(c)(4)) relating to the transferred property to the successor donee on or before the 15th day after the latest of—

(A) The date of such transfer, or

(B) The date the original donee signs the appraisal summary, or

(C) In a case in which the transferring donee is a successor donee, the date such donee receives a copy of the appraisal summary from such donee's transferor, and

(ii) Shall provide a copy of its information return required by paragraph (a)(1) this section to the successor donee on or before the 15th day after the transferring donee files the information return pursuant to paragraph (e)(2) of this section.

(5) *Donee.* In the case of charitable deduction property that is transferred to a successor donee to which this section applies, the term *donee* as used in paragraph (a)(2) and (e) of this section means only the original donee.

(d) *Special rules—(1) Statement to be furnished to donors.* Every donee making a return under section 6050L and this section with respect to the disposition of charitable deduction property shall furnish a copy of the return to the donor of the property.

(2) *Retention of appraisal summary.* Every donee shall retain the appraisal summary described in §1.170A-13(c)(4) in the donee's records for so long as it may be relevant in the administration of any internal revenue law.

(e) *Charitable deduction property.* For purposes of this section, the term *charitable deduction property* means any property (other than money and publicly traded securities to which §1.170A-13(c)(7)(xi)(B) does not apply)

contributed after December 31, 1984, with respect to which the donee signs (or is presented with for signature in cases described in §1.170A-13(c)(4)(iv)(C)(2)) an appraisal summary (as required by §1.170A-13(c)(4)(i)(B)). For purposes of this section, if such donee signs (or is presented with for signature in cases described in §1.170A-13(c)(4)(iv)(C)(2)) the appraisal summary after the date of contribution of the property, the property is deemed to be charitable deduction property from the date of contribution.

(f) *Place and time for filing information returns—(1) Place for filing.* The donee information return required by section 6050L and this section shall be filed with the Internal Revenue Service center listed on the return form or its instructions.

(2) *Time for filing—(i) In general.* Except as provided in paragraph (f)(2)(ii) of this section, the donee information return shall be filed on or before the 125th day after a donee sells, exchanges, consumes or otherwise disposes of the charitable deduction property. A donee information return filed pursuant to this paragraph (f)(2)(i) does not have to include the information required by paragraphs (b) (3), (4), (5), or (6), or (c)(2)(i)-(iii) of this section if such information is not available to the donee by the due date of the return.

(ii) *Exception.* Notwithstanding paragraph (f)(2)(i) of this section, in the case of a donee who, on the date of receipt of the transferred property, had no reason to believe that the substantiation requirements of §1.170A-13(c) apply with respect to the property, the donee information return is not required to be filed until the 60th day after the later of May 5, 1988, or the date on which such donee has reason to believe that the substantiation requirements of §1.170A-13(c) apply with respect to the property. A donee information return filed pursuant to this paragraph (f)(2)(ii) does not have to include the information required by paragraph (b) (3), (4), (5), or (6), or (c)(2)(i)-(iii) of this section if such information is not available to the donee by the due date of the return.

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(g) *Penalties.* For penalties for failure to comply with the requirements of this section, see sections 6676, 6721, and 6723.

[T.D. 8199, 53 FR 16085, May 5, 1988; T.D. 8199, 53 FR 18372, May 23, 1988]

**§ 1.6050M-1 Information returns relating to persons receiving contracts from certain Federal executive agencies.**

(a) *General rule.* Except as otherwise provided in paragraph (c) of this section, the head of every Federal executive agency or his or her delegate shall make an information return to the Internal Revenue Service reporting the following information with respect to each contract entered into by that Federal executive agency—

(1) Name and address of the contractor;

(2) Contractor's TIN and, if the contractor is a member of an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, the name and TIN of the common parent of the affiliated group;

(3) The date of the contract action;

(4) The expected date of completion of the contract as determined under any reasonable method, such as the expected contract delivery date under the contract schedule;

(5) The total amount obligated under the contract action; and

(6) Any other information required by Forms 8596 and 8596A and their instructions, or by any other administrative guidance issued by the Internal Revenue Service (such as a revenue procedure).

See paragraph (e) of this section relating to the manner in which to report increases in amounts obligated under existing contracts. See paragraph (d)(5) of this section for special rules for agencies that submit contract information to the Federal Procurement Data Center. For provisions concerning the requesting and furnishing of identifying numbers, see section 6109 and the regulations thereunder.

(b) *Definitions.* The following definitions apply for purposes of this section—

(1) *Federal executive agency.* The term "Federal executive agency" means—

(i) Any executive agency (as defined in 5 U.S.C. 105) other than the General Accounting Office;

(ii) Any military department (as defined in 5 U.S.C. 102); and

(iii) The United States Postal Service and the Postal Rate Commission.

(2) *Contract—(i) General rule.* The term "contract" means an obligation of a Federal executive agency to make payment of money (or other property) to a person in return for the sale of property, the rendering of services, or other consideration. The term "contract" includes, for example, such an obligation arising from a written agreement executed by the agency and the contractor, an award or notice of award, a job order or task letter issued under a basic ordering agreement, a letter contract, an order that becomes effective only upon written acceptance or performance, or an action described in paragraph (e) of this section.

(ii) *Exceptions.* For purposes of this section, the term "contract" does not include—

(A) A license granted by a Federal executive agency;

(B) An obligation of a contractor (other than a Federal executive agency) to a subcontractor;

(C) A debt instrument of the United States Government or a Federal agency, such as a Treasury note, Treasury bond, Treasury bill, savings bond, or similar instrument; or

(D) An obligation of a Federal executive agency to lend money, lease property to a lessee, or sell property.

(iii) *Special rule for certain contracts of the Small Business Administration.* Any subcontract entered into by the Small Business Administration (SBA) under a prime contract between the SBA and a procuring Federal executive agency pursuant to section 8(a) of the Small Business Act (15 U.S.C. 637(a)) shall not be treated as a contract of the SBA but shall be treated as a contract of the procuring agency for purposes of this section.

(iv) *Certain schedule contracts.* For purposes of this section, any of the following contracts entered into on behalf of one or more Federal executive agencies is not a "contract" to be reported