

Internal Revenue Service, Treasury

§ 1.6161-1

on or before the 15th day of the last month of the short taxable year.

[T.D. 6768, 29 FR 14925, Nov. 4, 1964]

§ 1.6154-3 Extension of time for paying estimated tax.

An extension of time granted a corporation under section 6081 for filing the declaration of estimated tax automatically extends the time for paying the estimated tax (without interest) for the same period. See § 1.6074-3 for rules relating to extensions of time for filing declarations of estimated tax by corporations. Except as provided in paragraph (b) of § 301.6091-1 (relating to hand-carried documents), an application for an extension of time for paying an installment of the estimated tax shall be addressed to the internal revenue officer with whom the taxpayer files its declaration. Each application must contain a full recital of the causes for the delay. Any such extension will not relieve the taxpayer from the addition to the tax imposed by section 6655, and the period of the underpayment will be determined under section 6655(c) without regard to such extension.

[T.D. 6950, 33 FR 5357, Apr. 4, 1968]

§ 1.6154-4 Use of Government depositaries.

For provisions relating to the use of Federal Reserve banks and authorized financial institutions in depositing the taxes see § 1.6302-1.

(Approved by the Office of Management and Budget under control number 1545-0257)

[T.D. 6914, 32 FR 3819, Mar. 8, 1967, as amended by T.D. 7953, 49 FR 19644, May 9, 1984]

§ 1.6154-5 Definition of estimated tax.

For taxable years beginning after December 31, 1976, the term *estimated tax* means the excess of—

(a) The amount which the corporation estimates as its income tax liability for the taxable year under section 11 or 1201(a), or subchapter L of chapter 1 of the Code, whichever is applicable, over

(b) The sum of—

(1) Any estimated credits against tax provided by part IV of subchapter A of chapter 1 of the Code, plus

(2) For taxable years ending after February 29, 1980, the amount which the corporation estimates will be the amount of such corporation's overpayment of windfall profit tax imposed by section 4986 of the Code for the taxable year. For this purpose, the amount of such overpayment is the amount by which such corporation's aggregate windfall profit tax liability for the taxable year as a producer of crude oil is reasonably expected to be exceeded by withholding of windfall profit tax for the taxable year.

(Secs. 6015, 6154, 6654, 6655, and 7805, Internal Revenue Code of 1954 (96 Stat. 2395 and 2396, 68A Stat. 917; 26 U.S.C. 6015, 6154, 6654, 6655, and 7805))

[T.D. 8016, 50 FR 11855, Mar. 26, 1985]

EXTENSIONS OF TIME FOR PAYMENT

SOURCE: Sections 1.6161-1 to 1.6165-1 contained in T.D. 6500, 25 FR 12140, Nov. 26, 1960, unless otherwise noted.

§ 1.6161-1 Extension of time for paying tax or deficiency.

(a) *In general*—(1) *Tax shown or required to be shown on return.* A reasonable extension of the time for payment of the amount of any tax imposed by subtitle A of the Code and shown or required to be shown on any return, or for payment of the amount of any installment of such tax, may be granted by the district directors (including the Director of International Operations) at the request of the taxpayer. The period of such extension shall not be in excess of six months from the date fixed for payment of such tax or installment, except that if the taxpayer is abroad the period of the extension may be in excess of six months.

(2) *Deficiency.* The time for payment of any amount determined as a deficiency in respect of tax imposed by chapter 1 of the Code, or for the payment of any part thereof, may, at the request of the taxpayer, be extended by the internal revenue officer to whom the tax is required to be paid for a period not to exceed 18 months from the date fixed for payment of the deficiency, as shown on the notice and demand, and, in exceptional cases, for a further period not in excess of 12 months. No extension of the time for

payment of a deficiency shall be granted if the deficiency is due to negligence, to intentional disregard of rules and regulations, or to fraud with intent to evade tax.

(b) *Undue hardship required for extension.* An extension of the time for payment shall be granted only upon a satisfactory showing that payment on the due date of the amount with respect to which the extension is desired will result in an undue hardship. The extension will not be granted upon a general statement of hardship. The term "undue hardship" means more than an inconvenience to the taxpayer. It must appear that substantial financial loss, for example, loss due to the sale of property at a sacrifice price, will result to the taxpayer for making payment on the due date of the amount with respect to which the extension is desired. If a market exists, the sale of property at the current market price is not ordinarily considered as resulting in an undue hardship.

(c) *Application for extension.* An application for an extension of the time for payment of the tax shown or required to be shown on any return, or for the payment of any installment thereof, or for the payment of any amount determined as a deficiency shall be made on Form 1127 and shall be accompanied by evidence showing the undue hardship that would result to the taxpayer if the extension were refused. Such application shall also be accompanied by a statement of the assets and liabilities of the taxpayer and an itemized statement showing all receipts and disbursements for each of the 3 months immediately preceding the due date of the amount to which the application relates. The application, with supporting documents, must be filed on or before the date prescribed for payment of the amount with respect to which the extension is desired. If the tax is required to be paid to the Director of International Operations, such application must be filed with him, otherwise, the application must be filed with the applicable district director referred to in paragraph (a) or (b) of § 1.6091-2, regardless of whether the return is to be filed with, or tax is to be paid to, such district director. The application will be examined, and within 30 days, if pos-

sible, will be denied, granted, or tentatively granted subject to certain conditions of which the taxpayer will be notified. If an additional extension is desired, the request therefor must be made on or before the expiration of the period for which the prior extension is granted.

(d) *Payment pursuant to extension.* If an extension of time for payment is granted, the amount the time for payment of which is so extended shall be paid on or before the expiration of the period of the extension without the necessity of notice and demand. The granting of an extension of the time for payment of the tax or deficiency does not relieve the taxpayer from liability for the payment of interest thereon during the period of the extension. See section 6601 and § 301.6601-1 of this chapter (Regulations on Procedure and Administration). Further, the granting of an extension of the time for payment of one installment of the tax does not extend the time for payment of subsequent installments.

(e) *Cross reference.* For extensions of time for payment of estimated tax, see §§ 1.6073-4 and 1.6074-3.

[T.D. 6500, 25 FR 12140, Nov. 26, 1960, as amended by T.D. 6950, 33 FR 5357, Apr. 4, 1968; T.D. 7260, 38 FR 4259, Feb. 12, 1973]

§ 1.6162-1 Extension of time for payment of tax on gain attributable to liquidation of personal holding companies.

(a) *In general.* (1) If it is shown to the satisfaction of the district director that undue hardship to the taxpayer will result from the payment of such portion of the amount determined as the tax under chapter 1 of the Code by the taxpayer as is attributable to the short-term or long-term capital gain derived by the taxpayer from the receipt by him of property other than money on a complete liquidation of a corporation to which section 331(a)(1) or 342 applies, the district director may grant an extension of time for the payment of such portion of the tax. For the meaning of the term "undue hardship", see paragraph (b) of § 1.6161-1.

(2) The extension of time for payment shall be for a period not in excess of five years. The extension shall only be granted for a taxable year beginning