

**§ 404.6048-1 Annual returns for foreign trusts with a United States beneficiary.**

(a) *Return required*—(1) *In general.* Each taxpayer subject to tax under section 679 with respect to a foreign trust having one or more United States beneficiaries must file Form 3520-A, Annual Return of Foreign Trust with U.S. Beneficiaries, together with any additional schedules or other information required by the form or the instructions to the form. Form 3520-A must be filed even if the taxpayer is treated as the owner of a foreign trust under both section 679 and some other provision of subpart E of part I of subchapter J.

(2) *Joint returns.* If the taxpayer's spouse is also subject to tax under section 679 with respect to the same foreign trust for the same taxable year, and if both taxpayer and spouse file a joint return of income tax for that year, a single Form 3520-A may be filed jointly with respect to such trust for the year.

(b) *Period covered by return.* The period covered by the return required by this section is the taxable year of the taxpayer required to file the return, regardless of the period used by the trust for accounting or any other purpose.

(c) *Time for filing*—(1) *In general.* The return required by this section must be filed no later than the 15th day of the fourth month following the end of the taxable period covered by the return.

(2) *Transitional rule.* In the case of a return required by this section for a taxable period ending on or before June 30, 1977, the return must be filed no later than—

(i) October 15, 1977, in the case of a taxpayer treated as an owner with respect to the trust under both section 679 and a provision of sections 672 through 678, or

(ii) December 31, 1977, in all other cases.

(3) *Extensions of time for filing.* For rules relating to extensions of time for filing, see section 6081 and the regulations thereunder.

(d) *Place for filing.* The return required by this section must be filed with the Director, Internal Revenue Service Center, 11601 Roosevelt Boulevard, Philadelphia, PA 19155.

(e) *Effective date.* This section is effective for taxable periods ending on or after December 31, 1976.

(Sec. 6048(c), Internal Revenue Code of 1954, 90 Stat. 1616 (26 U.S.C. 6048(c)))

[T.D. 7502, 42 FR 41856, Aug. 19, 1977]

**§ 404.6334(d)-1 Minimum exemption from levy for wages, salary, or other income.**

(a) *In general.* Under section 6331(a), if an individual liable for any tax neglects or refuses to pay such tax within 10 days after notice and demand, the tax may be collected by levy upon property or rights to property belonging to such individual, including amounts payable to or received by him as wages, salary, or other income. Under section 6331(d)(3), a levy upon wages or salary is continuous from the date the levy is first made until the liability giving rise to the levy is satisfied or becomes unenforceable by reason of lapse of time. Under section 6334(a)(9), however, certain amounts payable to or received by an individual as wages or salary for personal services, or as income from other sources, are exempt from levy. Under section 6334(d), amounts so exempt are determined by taking into account (1) the individual's payroll period, i.e., the basis (whether weekly, biweekly, semi-monthly, monthly or otherwise) on which the individual is paid or receives wages, salary, or other income, and (2) the number of certain other persons dependent upon the individual for their support during each such payroll period. Paragraph (b) of this section prescribes rules for determining an individual's payroll period. Paragraph (c) of this section contains rules relating to the minimum amount of wages, salary, or other income which is exempt from levy for each such payroll period, and the additional amount which is exempt for each person who is claimed as a dependent of the individual pursuant to paragraph (d) of this section.

(b) *Determination of payroll period.* For purposes of determining the amount of wages, salary, or other income exempt from levy pursuant to section 6334(a)(9) and this section—

(1) *Regularly used calendar periods.* In the case of a levy on wages, etc. paid on the basis of an established calendar