

## SUBCHAPTER A—INCOME TAX (CONTINUED)

### PART 1—INCOME TAXES

#### NORMAL TAXES AND SURTAXES

#### DEFERRED COMPENSATION, ETC.

#### ACCOUNTING PERIODS AND METHODS OF ACCOUNTING

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- 1.482-1A Allocation of income and deductions among taxpayers.
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- 1.484-1.500 [Reserved]
- AUTHORITY: 26 U.S.C. 7805.
- Section 1.441-2T also issued under 26 U.S.C. 441(f).
- Section 1.441-3T also issued under 26 U.S.C. 441.
- Section 1.442-2T and 1.442-3T also issued under 26 U.S.C. 422, 706, and 1378.
- Section 1.444-0T through 1.444-3T and Section 1.444-4 is also issued under 26 U.S.C. 444(g).
- Section 1.446-1 also issued under 26 U.S.C. 446 and 461(h).
- Section 1.446-4 also issued under 26 U.S.C. 1502.
- Section 1.446-6 also issued under 26 U.S.C. 446 and 26 U.S.C. 860G.
- Section 1.451-5 also issued under 96 Stat. 324, 493.
- Section 1.453-11 also issued under 26 U.S.C. 453(j)(1) and (k).
- Section 1.453A-3 also issued under 26 U.S.C. 453A.
- Section 1.458-1 also issued under 26 U.S.C. 458.
- Section 1.460-1 also issued under 26 U.S.C. 460(h).
- Section 1.460-2 also issued under 26 U.S.C. 460(h).
- Section 1.460-3 also issued under 26 U.S.C. 460(h).
- Section 1.460-4 also issued under 26 U.S.C. 460(h) and 1502.
- Section 1.460-5 also issued under 26 U.S.C. 460(h).
- Section 1.460-6 also issued under 26 U.S.C. 460(h).
- Section 1.461-1 also issued under 26 U.S.C. 461(h).
- Section 1.461-2 also issued under 26 U.S.C. 461(h).
- Section 1.461-4 also issued under 26 U.S.C. 461(h).
- Section 1.461-4(d) also issued under 26 U.S.C. 460 and 26 U.S.C. 461(h).
- Section 1.461-5 also issued under 26 U.S.C. 461(h).
- Section 1.461-6 also issued under 26 U.S.C. 461(h).
- Section 1.465-8 also issued under 26 U.S.C. 465.

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Section 1.465-20 also issued under 26 U.S.C. 465.

Section 1.465-27 also issued under 26 U.S.C. 465(b)(6)(B)(iii).

Section 1.466-1 through 1.466-4 also issued under 26 U.S.C. 466.

Section 1.467-1 is also issued under 26 U.S.C. 467.

Section 1.467-2 is also issued under 26 U.S.C. 467.

Section 1.467-3 is also issued under 26 U.S.C. 467.

Section 1.467-4 is also issued under 26 U.S.C. 467.

Section 1.467-5 is also issued under 26 U.S.C. 467.

Section 1.467-6 is also issued under 26 U.S.C. 467.

Section 1.467-7 is also issued under 26 U.S.C. 467.

Section 1.467-8 is also issued under 26 U.S.C. 467.

Section 1.467-9 is also issued under 26 U.S.C. 467.

Section 1.468A-5 also issued under 26 U.S.C. 468A(e)(5).

Section 1.468B also issued under 26 U.S.C. 461(h) and 468B.

Section 1.468B-0 through 1.468B-5 also issued under 26 U.S.C. 461(h) and 468B.

Section 1.469-1 also issued under 26 U.S.C. 469.

Section 1.469-1T also issued under 26 U.S.C. 469.

Section 1.469-2 also issued under 26 U.S.C. 469(1).

Section 1.469-2T also issued under 26 U.S.C. 469(1).

Section 1.469-3 also issued under 26 U.S.C. 469(1).

Section 1.469-3T also issued under 26 U.S.C. 469(1).

Section 1.469-4 also issued under 26 U.S.C. 469(1).

Section 1.469-5 also issued under 26 U.S.C. 469(1).

Section 1.469-5T also issued under 26 U.S.C. 469(1).

Section 1.469-7 also issued under 26 U.S.C. 469(1).

Section 1.469-9 also issued under 26 U.S.C. 469(c)(6), (h)(2), and (l)(1).

Section 1.469-11 also issued under 26 U.S.C. 469(1).

Section 1.471 also issued under 26 U.S.C. 471.

Section 1.471-4 also issued under 26 U.S.C. 263A.

Section 1.471-5 also issued under 26 U.S.C. 263A.

Section 1.471-6 also issued under 26 U.S.C. 471.

Section 1.472-8 also issued under 26 U.S.C. 472.

Section 1.475(a)-3 also issued under 26 U.S.C. 475(e).

Section 1.475(b)-1 also issued under 26 U.S.C. 475(b)(4) and 26 U.S.C. 475(e).

Section 1.475(b)-2 also issued under 26 U.S.C. 475(b)(2) and 26 U.S.C. 475(e).

Section 1.475(b)-4 also issued under 26 U.S.C. 475(b)(2), 26 U.S.C. 475(e), and 26 U.S.C. 6001.

Section 1.475(c)-1 also issued under 26 U.S.C. 475(e).

Section 1.475(c)-2 also issued under 26 U.S.C. 475(e) and 26 U.S.C. 860G(e).

Section 1.475(d)-1 also issued under 26 U.S.C. 475(e).

Section 1.475(e)-1 also issued under 26 U.S.C. 475(e).

Section 1.481-1 also issued under 26 U.S.C. 481.

Section 1.481-2 also issued under 26 U.S.C. 481.

Section 1.481-3 also issued under 26 U.S.C. 481.

Section 1.481-4 also issued under 26 U.S.C. 481.

Section 1.481-5 also issued under 26 U.S.C. 481.

Section 1.482-1 also issued under 26 U.S.C. 482 and 936.

Section 1.482-2 also issued under 26 U.S.C. 482.

Section 1.482-3 also issued under 26 U.S.C. 482.

Section 1.482-4 also issued under 26 U.S.C. 482.

Section 1.482-5 also issued under 26 U.S.C. 482.

Section 1.482-7 is also issued under 26 U.S.C. 482.

Section 1.482-2A also issued under 26 U.S.C. 482.

Section 1.483-1 through 1.483-3 also issued under 26 U.S.C. 483(f).

Section 1.483-4 also issued under 26 U.S.C. 483(f).

**DEFERRED COMPENSATION, ETC.  
(CONTINUED)**

**ACCOUNTING PERIODS AND  
METHODS OF ACCOUNTING**

**ACCOUNTING PERIODS**

**§ 1.441-0 Table of contents.**

This section lists the captions contained in §§1.441-1 through 1.441-4 as follows:

*§ 1.441-1 Period for computation of taxable income.*

- (a) Computation of taxable income.
- (1) In general.
- (2) Length of taxable year.
- (b) General rules and definitions.
- (1) Taxable year.
- (1) Required taxable year.

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- (i) In general.
- (ii) Exceptions.
  - (A) 52-53-week taxable years.
  - (B) Partnerships, S corporations, and PSCs.
  - (C) Specified foreign corporations.
- (3) Annual accounting period.
- (4) Calendar year.
- (5) Fiscal year.
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  - (ii) Recognition.
- (6) Grandfathered fiscal year.
- (7) Books.
- (8) Taxpayer.
  - (c) Adoption of taxable year.
    - (1) In general.
    - (2) Approval required.
  - (i) Taxpayers with required taxable years.
  - (ii) Taxpayers without books.
  - (d) Retention of taxable year.
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  - (4) Example.
- (b) Procedures to elect a 52-53-week taxable year.
  - (1) Adoption of a 52-53-week taxable year.
    - (i) In general.
    - (ii) Filing requirement.
  - (2) Change to (or from) a 52-53-week taxable year.
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    - (ii) Special rules for short period required to effect the change.
  - (3) Examples.
  - (c) Application of effective dates.
    - (1) In general.
    - (2) Examples.
    - (3) Changes in tax rates.
    - (4) Examples.
    - (d) Computation of taxable income.
    - (e) Treatment of taxable years ending with reference to the same calendar month.
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      - (2) Personal service corporations and employee-owners.
      - (3) Definitions.
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        - (4) Examples.
        - (5) Transition rule.

### § 1.441-3 Taxable year of a personal service corporation

- (a) Taxable year.
  - (1) Required taxable year.
  - (2) Exceptions.
  - (b) Adoption, change, or retention of taxable year.
    - (1) Adoption of taxable year.

- (2) Change in taxable year.
- (3) Retention of taxable year.
- (4) Procedures for obtaining approval or making a section 444 election.
- (5) Examples.
- (c) Personal service corporation defined.
  - (1) In general.
  - (2) Testing period.
- (i) In general.
- (ii) New corporations.
  - (3) Examples.
  - (d) Performance of personal services.
    - (1) Activities described in section 448(d)(2)(A).
    - (2) Activities not described in section 448(d)(2)(A).
  - (e) Principal activity.
    - (1) General rule.
    - (2) Compensation cost.
      - (i) Amounts included.
      - (ii) Amounts excluded.
      - (3) Attribution of compensation cost to personal service activity.
        - (i) Employees involved only in the performance of personal services.
        - (ii) Employees involved only in activities that are not treated as the performance of personal services.
        - (iii) Other employees.
          - (A) Compensation cost attributable to personal service activity.
          - (B) Compensation cost not attributable to personal service activity.
        - (f) Services substantially performed by employee-owners.
          - (1) General rule.
          - (2) Compensation cost attributable to personal services.
            - (3) Examples.
            - (g) Employee-owner defined.
              - (1) General rule.
              - (2) Special rule for independent contractors who are owners.
            - (h) Special rules for affiliated groups filing consolidated returns.
              - (1) In general.
              - (2) Examples.

### § 1.441-4 Effective date

[T.D. 8996, 67 FR 35012, May 17, 2002]

### § 1.441-1 Period for computation of taxable income.

(a) *Computation of taxable income*—(1) *In general.* Taxable income must be computed and a return must be made for a period known as the taxable year. For rules relating to methods of accounting, the taxable year for which items of gross income are included and deductions are taken, inventories, and adjustments, see parts II and III (section 446 and following), subchapter E,