

**(c) Financial expertise**

In carrying out the duties in this subsection<sup>1</sup> or performing analyses of activities under this chapter, the Director of the Congressional Budget Office may employ personnel and procure the services of experts and consultants.

**(d) Authorization of appropriations**

There are authorized to be appropriated such sums as may be necessary to produce reports required by this section.

**(e) Sunset**

Notwithstanding the previous provisions of this section, the reporting and comment requirements under this section shall terminate with the annual period on the last day of which all troubled assets acquired by the Secretary under section 5211 of this title have been sold or transferred out of the ownership or control of the Federal Government.

(Pub. L. 110-343, div. A, title II, § 202, Oct. 3, 2008, 122 Stat. 3800; Pub. L. 112-204, § 1(b)(1), Dec. 4, 2012, 126 Stat. 1485.)

**Editorial Notes****REFERENCES IN TEXT**

This chapter, referred to in subsec. (c), was in the original “this Act” and was translated as reading “this division”, meaning div. A of Pub. L. 110-343, Oct. 3, 2008, 122 Stat. 3765, known as the Emergency Economic Stabilization Act of 2008, to reflect the probable intent of Congress. For complete classification of division A to the Code, see Short Title note set out under section 5201 of this title and Tables.

**AMENDMENTS**

2012—Subsec. (a). Pub. L. 112-204, § 1(b)(1)(A), substituted “annually” for “semiannually”.

Subsec. (e). Pub. L. 112-204, § 1(b)(1)(B), added subsec. (e).

**Statutory Notes and Related Subsidiaries****EFFECTIVE DATE OF 2012 AMENDMENT**

Pub. L. 112-204, § 1(b)(2), Dec. 4, 2012, 126 Stat. 1486, provided that: “The amendments made by this subsection [amending this section] shall take effect the first day after the date of enactment of this Act [Dec. 4, 2012].”

**§ 5253. Emergency treatment**

All provisions of this chapter are designated as an emergency requirement and necessary to meet emergency needs pursuant to section 204(a) of S. Con. Res.<sup>1</sup> 21 (110th Congress), the concurrent resolution on the budget for fiscal year 2008 and rescissions of any amounts provided in this chapter shall not be counted for purposes of budget enforcement.

(Pub. L. 110-343, div. A, title II, § 204, Oct. 3, 2008, 122 Stat. 3801.)

**Editorial Notes****REFERENCES IN TEXT**

This chapter, referred to in text, was in the original “this Act” and was translated as reading “this divi-

<sup>1</sup> So in original. Probably should be “section”.

<sup>1</sup> So in original. Probably should be followed by a period.

sion”, meaning div. A of Pub. L. 110-343, Oct. 3, 2008, 122 Stat. 3765, known as the Emergency Economic Stabilization Act of 2008, to reflect the probable intent of Congress. For complete classification of division A to the Code, see Short Title note set out under section 5201 of this title and Tables.

S. Con. Res. 21 (110th Congress), referred to in text, is S. Con. Res. 21, May 17, 2007, 121 Stat. 2590, which is not classified to the Code.

**SUBCHAPTER III—TAX PROVISIONS****§ 5261. Gain or loss from sale or exchange of certain preferred stock****(a) In general**

For purposes of title 26, gain or loss from the sale or exchange of any applicable preferred stock by any applicable financial institution shall be treated as ordinary income or loss.

**(b) Applicable preferred stock**

For purposes of this section, the term “applicable preferred stock” means any stock—

(1) which is preferred stock in—

(A) the Federal National Mortgage Association, established pursuant to the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.), or

(B) the Federal Home Loan Mortgage Corporation, established pursuant to the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.), and

(2) which—

(A) was held by the applicable financial institution on September 6, 2008, or

(B) was sold or exchanged by the applicable financial institution on or after January 1, 2008, and before September 7, 2008.

**(c) Applicable financial institution**

For purposes of this section:

**(1) In general**

Except as provided in paragraph (2), the term “applicable financial institution” means—

(A) a financial institution referred to in section 582(c)(2) of title 26, or

(B) a depository institution holding company (as defined in section 1813(w)(1) of this title).

**(2) Special rules for certain sales**

In the case of—

(A) a sale or exchange described in subsection (b)(2)(B), an entity shall be treated as an applicable financial institution only if it was an entity described in subparagraph (A) or (B) of paragraph (1) at the time of the sale or exchange, and

(B) a sale or exchange after September 6, 2008, of preferred stock described in subsection (b)(2)(A), an entity shall be treated as an applicable financial institution only if it was an entity described in subparagraph (A) or (B) of paragraph (1) at all times during the period beginning on September 6, 2008, and ending on the date of the sale or exchange of the preferred stock.

**(d) Special rule for certain property not held on September 6, 2008**

The Secretary of the Treasury or the Secretary’s delegate may extend the application of

this section to all or a portion of the gain or loss from a sale or exchange in any case where—

(1) an applicable financial institution sells or exchanges applicable preferred stock after September 6, 2008, which the applicable financial institution did not hold on such date, but the basis of which in the hands of the applicable financial institution at the time of the sale or exchange is the same as the basis in the hands of the person which held such stock on such date, or

(2) the applicable financial institution is a partner in a partnership which—

(A) held such stock on September 6, 2008, and later sold or exchanged such stock, or

(B) sold or exchanged such stock during the period described in subsection (b)(2)(B).

#### (e) Regulatory authority

The Secretary of the Treasury or the Secretary's delegate may prescribe such guidance, rules, or regulations as are necessary to carry out the purposes of this section.

#### (f) Effective date

This section shall apply to sales or exchanges occurring after December 31, 2007, in taxable years ending after such date.

(Pub. L. 110-343, div. A, title III, §301, Oct. 3, 2008, 122 Stat. 3802.)

#### Editorial Notes

##### REFERENCES IN TEXT

The Federal National Mortgage Association Charter Act, referred to in subsec. (b)(1)(A), is title III of act June 27, 1934, ch. 847, 48 Stat. 1252, which is classified generally to subchapter III (§1716 et seq.) of chapter 13 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1716 of this title and Tables.

The Federal Home Loan Mortgage Corporation Act, referred to in subsec. (b)(1)(B), is title III of Pub. L. 91-351, July 24, 1970, 84 Stat. 451, which is classified generally to chapter 11A (§1451 et seq.) of this title. For complete classification of this Act to the Code, see Short Title and Statement of Purpose note set out under section 1451 of this title and Tables.

### CHAPTER 53—WALL STREET REFORM AND CONSUMER PROTECTION

- Sec. 5301. Definitions.
- 5302. Severability.
- 5303. Antitrust savings clause.

#### SUBCHAPTER I—FINANCIAL STABILITY

- 5311. Definitions.

##### PART A—FINANCIAL STABILITY OVERSIGHT COUNCIL

- 5321. Financial Stability Oversight Council established.
- 5322. Council authority.
- 5323. Authority to require supervision and regulation of certain nonbank financial companies.
- 5324. Registration of nonbank financial companies supervised by the Board of Governors.
- 5325. Enhanced supervision and prudential standards for nonbank financial companies supervised by the Board of Governors and certain bank holding companies.
- 5326. Reports.
- 5327. Treatment of certain companies that cease to be bank holding companies.

- Sec. 5328. Council funding.
- 5329. Resolution of supervisory jurisdictional disputes among member agencies.
- 5330. Additional standards applicable to activities or practices for financial stability purposes.
- 5331. Mitigation of risks to financial stability.
- 5332. GAO audit of Council.
- 5333. Study of the effects of size and complexity of financial institutions on capital market efficiency and economic growth.
- 5334. Data standards.
- 5335. Open data publication.

#### PART B—OFFICE OF FINANCIAL RESEARCH

- 5341. Definitions.
- 5342. Office of Financial Research established.
- 5343. Purpose and duties of the Office.
- 5344. Organizational structure; responsibilities of primary programmatic units.
- 5345. Funding.
- 5346. Transition oversight.

#### PART C—ADDITIONAL BOARD OF GOVERNORS AUTHORITY FOR CERTAIN NONBANK FINANCIAL COMPANIES AND BANK HOLDING COMPANIES

- 5361. Reports by and examinations of nonbank financial companies by the Board of Governors.
- 5362. Enforcement.
- 5363. Acquisitions.
- 5364. Prohibition against management interlocks between certain financial companies.
- 5365. Enhanced supervision and prudential standards for nonbank financial companies supervised by the Board of Governors and certain bank holding companies.
- 5366. Early remediation requirements.
- 5367. Affiliations.
- 5368. Regulations.
- 5369. Avoiding duplication.
- 5370. Safe harbor.
- 5371. Leverage and risk-based capital requirements.
- 5372. Rule of construction.
- 5373. International policy coordination.
- 5374. Rule of construction.

#### SUBCHAPTER II—ORDERLY LIQUIDATION AUTHORITY

- 5381. Definitions.
- 5382. Judicial review.
- 5383. Systemic risk determination.
- 5384. Orderly liquidation of covered financial companies.
- 5385. Orderly liquidation of covered brokers and dealers.
- 5386. Mandatory terms and conditions for all orderly liquidation actions.
- 5387. Directors not liable for acquiescing in appointment of receiver.
- 5388. Dismissal and exclusion of other actions.
- 5389. Rulemaking; non-conflicting law.
- 5390. Powers and duties of the Corporation.
- 5391. Inspector General reviews.
- 5392. Prohibition of circumvention and prevention of conflicts of interest.
- 5393. Ban on certain activities by senior executives and directors.
- 5394. Prohibition on taxpayer funding.

#### SUBCHAPTER III—TRANSFER OF POWERS TO THE COMPTROLLER OF THE CURRENCY, THE CORPORATION, AND THE BOARD OF GOVERNORS

- 5401. Purposes.
- 5402. Definition.

#### PART A—TRANSFER OF POWERS AND DUTIES

- 5411. Transfer date.