

## 26 U.S. Code § 1036. Stock for stock of same corporation

U.S. Code    Notes

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### **(a) GENERAL RULE**

No gain or loss shall be recognized if common stock in a corporation is exchanged solely for common stock in the same corporation, or if preferred stock in a corporation is exchanged solely for preferred stock in the same corporation.

### **(b) NONQUALIFIED PREFERRED STOCK NOT TREATED AS STOCK**

For purposes of this section, nonqualified preferred stock (as defined in section 351(g)(2)) shall be treated as property other than stock.

### **(c) CROSS REFERENCES**

**(1)** For rules relating to recognition of gain or loss where an exchange is not solely in kind, see subsections (b) and (c) of section 1031.

**(2)** For rules relating to the basis of property acquired in an exchange described in subsection (a), see subsection (d) of section 1031.

(Aug. 16, 1954, ch. 736, 68A Stat. 309; Pub. L. 105-34, title X, § 1014(e)(3), Aug. 5, 1997, 111 Stat. 921.)

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