

Internal Revenue Code Section 453(b)

Installment method

(a) General rule.

Except as otherwise provided in this section , income from an installment sale shall be taken into account for purposes of this title under the installment method.



(b) Installment sale defined.

For purposes of this section -

(1) In general.

The term "installment sale" means a disposition of property where at least 1 payment is to be received after the close of the taxable year in which the disposition occurs.

(2) Exceptions.

The term "installment sale" does not include-

(A) Dealer dispositions. Any dealer disposition (as defined in subsection (1)).

(B) Inventories of personal property. A disposition of personal property of a kind which is required to be included in the inventory of the taxpayer if on hand at the close of the taxable year.

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