

### Internal Revenue Code Section 401(c)(1)

Qualified pension, profit-sharing, and stock bonus plans.

(c) Definitions and rules relating to self-employed individuals and owner-employees. For purposes of this section—



(1) Self-employed individual treated as employee.

(A) In general. The term "employee" includes, for any taxable year, an individual who is a self-employed individual for such taxable year.

(B) Self-employed individual. The term "self-employed individual" means, with respect to any taxable year, an individual who has earned income (as defined in paragraph (2)) for such taxable year. To the extent provided in regulations prescribed by the Secretary, such term also includes, for any taxable year—

- (i) an individual who would be a self-employed individual within the meaning of the preceding sentence but for the fact that the trade or business carried on by such individual did not have net profits for the taxable year, and
- (ii) an individual who has been a self-employed individual within the meaning of the preceding sentence for any prior taxable year.