

AMONG TWO OR MORE ORGANIZATIONS, TRADES, OR BUSINESSES, WHETHER OR NOT INCORPORATED, WHETHER OR NOT ORGANIZED IN THE UNITED STATES, AND WHETHER OR NOT AFFILIATED, IF:

(1) THE ORGANIZATIONS, TRADES, OR BUSINESSES ARE OWNED OR CONTROLLED DIRECTLY OR INDIRECTLY BY THE SAME INTERESTS WITHIN THE MEANING OF § 482 OF THE INTERNAL REVENUE CODE; AND

(2) THE COMPTROLLER DETERMINES THAT THE DISTRIBUTION, APPORTIONMENT, OR ALLOCATION IS NECESSARY IN ORDER TO REFLECT AN ARM'S LENGTH STANDARD WITHIN THE MEANING OF § 1.482-1 OF THE REGULATIONS OF THE INTERNAL REVENUE SERVICE OF THE U.S. TREASURY AND TO REFLECT CLEARLY THE INCOME OF THOSE ORGANIZATIONS, TRADES, OR BUSINESSES.

(B) THE COMPTROLLER SHALL APPLY THE ADMINISTRATIVE AND JUDICIAL INTERPRETATIONS OF § 482 OF THE INTERNAL REVENUE CODE IN ADMINISTERING THIS SECTION.

10-306.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "AGGREGATE EFFECTIVE TAX RATE" MEANS THE SUM OF THE EFFECTIVE RATES OF TAX IMPOSED BY ALL STATES, INCLUDING THIS STATE AND OTHER STATES OR POSSESSIONS OF THE UNITED STATES, WHERE A RELATED MEMBER RECEIVING A PAYMENT OF INTEREST EXPENSE OR INTANGIBLE EXPENSE IS SUBJECT TO TAX AND WHERE THE MEASURE OF THE TAX IMPOSED INCLUDED THE PAYMENT.

(2) (3) "BANK" MEANS:

(I) A BANK HOLDING COMPANY AS DEFINED IN THE FEDERAL BANK HOLDING COMPANY ACT OF 1956, AS AMENDED, OR A BANK, TRUST COMPANY, SAVINGS BANK, OR SAVINGS AND LOAN ASSOCIATION INCORPORATED OR CHARTERED UNDER THE LAWS OF THIS STATE, ANOTHER STATE, OR THE UNITED STATES; OR

(II) A SUBSIDIARY OR AFFILIATE OF AN ENTITY DESCRIBED IN ITEM (I) OF THIS PARAGRAPH.

(4) "EFFECTIVE RATE OF TAX IMPOSED" MEANS, AS TO ANY STATE OR POSSESSION OF THE UNITED STATES, THE MAXIMUM STATUTORY TAX RATE IMPOSED BY THE STATE OR POSSESSION MULTIPLIED BY THE APPLICABLE APPORTIONMENT RATE.

(2) (5) "INTANGIBLE EXPENSE" MEANS:

(I) AN EXPENSE, LOSS, OR COST FOR, RELATED TO, OR IN CONNECTION DIRECTLY OR INDIRECTLY WITH THE DIRECT OR INDIRECT ACQUISITION, USE, MAINTENANCE, MANAGEMENT, OWNERSHIP, SALE, EXCHANGE, OR ANY OTHER DISPOSITION OF INTANGIBLE PROPERTY, TO THE EXTENT THE