

business income; but if such trade or business is carried on partly within and partly without this State, the tax shall be imposed only on the portion of the business income reasonably attributable to the trade or business within this State, to be determined in the event separate accounting is impracticable as follows:

(a) Interest, dividends, rents and royalties (less related expenses) received in connection with business in this State, shall be allocated to this State and where received in connection with business outside of this State shall be allocated outside of this State.

(b) Gains, includible in gross income under Sections 216 and 220 from the sale of capital assets or property held, owned or used in connection with the trade or business of a corporation but not for sale in the regular course of business, shall be allocated to this State if the property sold is real or tangible personal property situated in this State, or intangible personal property connected with the business in this State.

(c) Net income of the above classes having been separately allocated and deducted as above provided, the remainder of the net business income of a corporation shall be allocated and apportioned as follows:

(1) Where income is derived from business other than the manufacture and sale of tangible personal property or the conduct of a public utility, such income shall be separately allocated or equitably apportioned within and without this State under rules and regulations of the Comptroller.

(2) Where income is derived from the manufacture or sale of tangible personal property, the portion thereof attributable to business within the State shall be taken to be such percentage of the total of such income as the value of the tangible property and business within this State bears to the value of the total tangible property and total business, the percentage of tangible property and of business being separately determined as hereinafter provided and the two percentages averaged.

(3) For the purpose of the foregoing computation, the value of the tangible property shall be taken to be the average value of the tangible property held and owned by the corporation in connection with such business during the year for which the income is returned, excluding any property the income of which is not taxable or separately allocated under the foregoing provisions of this sub-title.

(4) The business of the corporation shall be measured by the amount of all receipts during the year from sales and