~~(VI)--THE-"FLOOR-AMOUNT"-MEANS-THAT--AMOUNT DETERMINED-BY-SUBTRACTING-FROM-THE-ELIGIBLE-NET-EARNINGS-THE INELIGIBLE--NET--EARNINGS-AND-THEN-MULTIPLYING-THE-REMAINDER BY-A-FRACTION-WHICH--CANNOT--BE--GREATER--THAN--ONE--AND--IS DETERMINED-AS-FOLLOWS:~~

~~1.--THE-NUMERATOR-IS-THE-REMAINDER-OF THE-FOLLOWING:~~

~~A.--THE--ALLOWABLE--PERCENTAGE-OF-THE AVERAGE-AGGREGATE-AMOUNT-OF-THE-TAXPAYER'S-LOANS-TO--FOREIGN PERSONS-AND-DEPOSITS-WITH-FOREIGN-PERSONS-WHICH-ARE-BANKS-OR FOREIGN-BRANCHES-OF-BANKS-(INCLUDING-FOREIGN-SUBSIDIARIES-OR FOREIGN--BRANCHES-OF-THE-TAXPAYER)-WHICH-ARE-RECORDED-IN-THE INTERNATIONAL-BANKING-INSTITUTION'S--FINANCIAL--ACCOUNT--FOR THE-TAXABLE-YEARS-1975,-1976,-1977,-AND-1980;-MINUS~~

~~B.--THE--AVERAGE--AGGREGATE-AMOUNT-OF THESE-LOANS-AND-DEPOSITS-(BUT-NOT-INCLUDING--THE--LOANS--AND DEPOSITS--OF--AN--INTERNATIONAL--BANKING--FACILITY)--FOR-THE INTERNATIONAL-BANKING-FACILITY'S-TAXABLE-YEAR.--HOWEVER,-THE AMOUNT-IN-THIS-CLAUSE-MAY-NOT-EXCEED-THE--AMOUNT--IN--CLAUSE (VI)1.A.~~

~~2.--THE--ALLOWABLE--PERCENTAGE-IS-100 PERCENT-FOR-THE-FIRST-TAXABLE-YEAR--IN--WHICH--THE--TAXPAYER ESTABLISHES--AN--INTERNATIONAL--BANKING-FACILITY-AND-FOR-THE NEXT-SUCCEEDING-4-TAXABLE-YEARS,-80-PERCENT-FOR--THE--FIFTH, 60--PERCENT--FOR--THE--SIXTH,-40-PERCENT-FOR-THE-SEVENTH,-20 PERCENT-FOR-THE-EIGHTH-YEAR,-AND--ZERO--FOR--THE--NINTH--AND SUCCEEDING-YEARS.~~

~~3.--THE--DENOMINATOR--IS--THE-AVERAGE AGGREGATE-AMOUNT-OF-THE-LOANS--TO--ANY--FOREIGN--PERSON--AND DEPOSITS--WITH--ANY-FOREIGN-PERSON-THAT-IS-A-BANK-OR-FOREIGN BRANCH-OF--A--BANK--(INCLUDING--ANY--FOREIGN--SUBSIDIARY--OR FOREIGN--BRANCH--OF--THE-TAXPAYER)-THAT-WERE-RECORDED-IN-THE FINANCIAL-ACCOUNTS-OF-THE-INTERNATIONAL-BANKING-FACILITY-FOR THE-TAXABLE-YEAR.~~

~~(2)~~ (VI) TO THE EXTENT NOT DEDUCTIBLE IN DETERMINING FEDERAL TAXABLE INCOME, THE ADJUSTED ELIGIBLE NET EARNINGS OF AN INTERNATIONAL BANKING FACILITY SHALL BE ALLOWED AS A DEDUCTION FROM NET EARNINGS. IF THE ADJUSTED ELIGIBLE NET EARNINGS OF AN INTERNATIONAL BANKING FACILITY IS A LOSS, THE AMOUNT OF THE LOSS SHALL BE ADDED TO NET EARNINGS.

~~(3)~~ (VII) THE ADJUSTED ELIGIBLE NET EARNINGS IS DETERMINED BY SUBTRACTING FROM ELIGIBLE NET EARNINGS THE INELIGIBLE FUNDING AMOUNT ~~AND--THEN-SUBTRACTING-THE-FLOOR AMOUNT-FROM-THE-REMAINDER~~.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1981.