

(2) THE METHOD THAT THE COMPTROLLER REQUIRES TO DETERMINE FAIRLY THE PART OF THE INCOME DERIVED FROM OR REASONABLY ATTRIBUTABLE TO THE TRADE, BUSINESS, PROFESSION, OR OCCUPATION CARRIED ON IN THE STATE.

REVISOR'S NOTE: This section formerly appeared as Art. 81, § 287.

The only changes are in style.

As to other income of a nonresident that is subject to county income tax, see § 10-103 of this title.

Defined terms: "Comptroller" § 1-101
"Nonresident" § 10-101

10-402. SAME -- FOR CORPORATION.

(A) IN GENERAL.

IN COMPUTING MARYLAND TAXABLE INCOME, A CORPORATION SHALL ALLOCATE NET INCOME DERIVED FROM OR REASONABLY ATTRIBUTABLE TO ITS TRADE OR BUSINESS IN THIS STATE IN THE FOLLOWING MANNER:

(1) IF A CORPORATION CARRIES ON ITS TRADE OR BUSINESS WHOLLY WITHIN THE STATE, THE CORPORATION SHALL ALLOCATE TO THE STATE ALL OF THE NET INCOME OF THE CORPORATION; AND

(2) IF A CORPORATION CARRIES ON ITS TRADE OR BUSINESS IN AND OUT OF THE STATE, THE CORPORATION SHALL ALLOCATE TO THE STATE THE PART OF THE CORPORATION'S MARYLAND MODIFIED INCOME THAT IS DERIVED FROM OR REASONABLY ATTRIBUTABLE TO THE PART OF ITS TRADE OR BUSINESS CARRIED ON IN THE STATE, IN THE MANNER REQUIRED IN SUBSECTION (B), (C), OR (D) OF THIS SECTION.

(B) DETERMINATION -- BY SEPARATE ACCOUNTING.

EXCEPT AS PROVIDED IN SUBSECTION (C) OR (D) OF THIS SECTION, THE PART OF THE CORPORATION'S MARYLAND MODIFIED INCOME DERIVED FROM OR REASONABLY ATTRIBUTABLE TO TRADE OR BUSINESS CARRIED ON IN THE STATE MAY BE DETERMINED BY SEPARATE ACCOUNTING IF PRACTICABLE.

(C) SAME -- BY 3-FACTOR FORMULA.

(1) IF THE TRADE OR BUSINESS IS A UNITARY BUSINESS, THE PART OF THE CORPORATION'S MARYLAND MODIFIED INCOME DERIVED FROM OR REASONABLY ATTRIBUTABLE TO TRADE OR BUSINESS CARRIED ON IN THE STATE SHALL BE DETERMINED USING A 3-FACTOR FORMULA THAT WEIGHS PROPERTY, PAYROLL, AND SALES EQUALLY.

(2) THE PROPERTY FACTOR UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE: