

~~RECEIVABLES THAT ARE LOCATED WITHIN THIS STATE DURING THE TAXABLE YEAR, AND THE DENOMINATOR OF WHICH IS THE AVERAGE VALUE OF ALL SUCH PROPERTY LOCATED OR USED WITHIN AND WITHOUT THIS STATE DURING THE TAXABLE YEAR.~~

~~(2) THE PROPERTY FACTOR SHALL INCLUDE ONLY PROPERTY THE INCOME OR EXPENSES OF WHICH ARE INCLUDED (OR WOULD HAVE BEEN INCLUDED IF NOT FULLY DEPRECIATED OR EXPENSED, OR DEPRECIATED OR EXPENSED TO A NOMINAL AMOUNT) IN THE COMPUTATION OF THE APPORTIONABLE INCOME BASE FOR THE TAXABLE YEAR.~~

~~(3) (I) THE VALUE OF REAL PROPERTY AND TANGIBLE PERSONAL PROPERTY OWNED BY THE FINANCIAL INSTITUTION IS THE ORIGINAL COST OR OTHER BASIS OF SUCH PROPERTY FOR FEDERAL INCOME TAX PURPOSES WITHOUT REGARD TO DEPLETION, DEPRECIATION OR AMORTIZATION.~~

~~(II) LOANS ARE VALUED AT THEIR OUTSTANDING PRINCIPAL BALANCE, WITHOUT REGARD TO ANY RESERVE FOR BAD DEBTS. IF A LOAN IS CHARGED OFF IN WHOLE OR IN PART FOR FEDERAL INCOME TAX PURPOSES, THE PORTION OF THE LOAN CHARGED OFF IS NOT OUTSTANDING. A SPECIFICALLY ALLOCATED RESERVE ESTABLISHED PURSUANT TO REGULATORY OR FINANCIAL ACCOUNTING GUIDELINES WHICH IS TREATED AS CHARGED OFF FOR FEDERAL INCOME TAX PURPOSES SHALL BE TREATED AS CHARGED OFF FOR PURPOSES OF THIS SUBSECTION.~~

~~(III) CREDIT CARD RECEIVABLES ARE VALUED AT THEIR OUTSTANDING PRINCIPAL BALANCE, WITHOUT REGARD TO ANY RESERVE FOR BAD DEBTS. IF A CREDIT CARD RECEIVABLE IS CHARGED OFF IN WHOLE OR IN PART FOR FEDERAL INCOME TAX PURPOSES, THE PORTION OF THE RECEIVABLE CHARGED OFF IS NOT OUTSTANDING.~~

~~(4) THE AVERAGE VALUE OF PROPERTY OWNED BY THE FINANCIAL INSTITUTION IS COMPUTED ON AN ANNUAL BASIS BY ADDING THE VALUE OF THE PROPERTY ON THE FIRST DAY OF THE TAXABLE YEAR AND THE VALUE ON THE LAST DAY OF THE TAXABLE YEAR AND DIVIDING THE SUM BY TWO. IF AVERAGING ON THIS BASIS DOES NOT PROPERLY REFLECT AVERAGE VALUE, THE DEPARTMENT MAY REQUIRE AVERAGING ON A MORE FREQUENT BASIS. THE FINANCIAL INSTITUTION MAY ELECT TO AVERAGE ON A MORE FREQUENT BASIS. WHEN AVERAGING ON A MORE FREQUENT BASIS IS REQUIRED BY THE DEPARTMENT OR IS ELECTED BY THE FINANCIAL INSTITUTION, THE SAME METHOD OF VALUATION MUST BE USED CONSISTENTLY BY THE FINANCIAL INSTITUTION WITH RESPECT TO PROPERTY WITHIN AND WITHOUT THIS STATE AND ON ALL SUBSEQUENT RETURNS UNLESS THE FINANCIAL INSTITUTION RECEIVES PRIOR PERMISSION FROM THE DEPARTMENT OR THE DEPARTMENT REQUIRES A DIFFERENT METHOD OF DETERMINING AVERAGE VALUE.~~