

~~CORPORATION BY THIS STATE, BY OTHER STATES OR POSSESSIONS OF THE UNITED STATES, AND BY FOREIGN NATIONS THAT HAVE ENTERED INTO COMPREHENSIVE TAX TREATIES WITH THE UNITED STATES GOVERNMENT IS EQUAL TO OR GREATER THAN 4%; OR~~

~~(III) IN THE CASE OF AN INTEREST EXPENSE, THE CORPORATION AND THE RELATED MEMBER ARE BANKS.~~

~~(D) FOR PURPOSES OF SUBSECTION (C)(3)(II) OF THIS SECTION, THE COMPTROLLER MAY PROVIDE BY REGULATION FOR AN ALTERNATE CALCULATION OF THE EFFECTIVE RATE OF TAX IMPOSED IN THE AGGREGATE ON THE AMOUNTS RECEIVED BY THE RELATED MEMBER IF:~~

~~(1) THE RELATED MEMBER:~~

~~(I) IS SUBJECT IN ANOTHER STATE TO A TAX THAT IS MEASURED BY GROSS RECEIPTS OR IS MEASURED BY NET CAPITAL OR NET WORTH; AND~~

~~(II) IS NOT SUBJECT IN THAT STATE TO A TAX MEASURED BY NET INCOME OR RECEIPTS; OR~~

~~(2) UNDER OTHER CIRCUMSTANCES, THE COMPTROLLER DETERMINES THAT IT IS IMPRACTICAL FOR A RELATED MEMBER THAT IS SUBJECT TO TAX IN THIS STATE OR ANOTHER STATE TO DEMONSTRATE THAT THE REQUIREMENTS OF SUBSECTION (C)(3)(II) HAVE BEEN SATISFIED.~~

~~(E) (1) FOR PURPOSES OF DETERMINING THE EFFECTIVE RATE OF TAX IMPOSED IN THE AGGREGATE BY OTHER JURISDICTIONS UNDER SUBSECTION (C) OF THIS SECTION:~~

~~(I) THE EFFECTIVE RATE OF TAX IMPOSED BY A JURISDICTION IS THE STATUTORY RATE MULTIPLIED BY THE APPLICABLE APPORTIONMENT RATE; AND~~

~~(II) THE EFFECTIVE RATE OF TAX IMPOSED IN THE AGGREGATE IS THE SUM OF THE EFFECTIVE RATES OF TAX IMPOSED BY ALL JURISDICTIONS WHERE THE RELATED MEMBER IS SUBJECT TO TAX AND WHERE THE MEASURE OF THE TAX IMPOSED INCLUDED THE PAYMENT.~~

~~(2) EVEN IF THE PAYMENT IS NOT INCLUDED IN THE RELATED MEMBER'S INCOME FOR PURPOSES OF A COMBINED OR CONSOLIDATED RETURN FILED IN ANOTHER JURISDICTION, THE MEASURE OF THE TAX IMPOSED BY THAT JURISDICTION INCLUDES THE INTEREST EXPENSE OR INTANGIBLE EXPENSE FOR PURPOSES OF SUBSECTION (C)(3) OF THIS SECTION IF:~~

~~(I) THE INCOME OF THE CORPORATION THAT PAID, ACCRUED, OR INCURRED THE EXPENSE IS INCLUDED IN THE COMBINED OR CONSOLIDATED RETURN THAT ALSO INCLUDES THE RELATED MEMBER; AND~~

~~(II) THE PAYMENT IS NOT DEDUCTED BY THE PAYOR CORPORATION FOR PURPOSES OF THE COMBINED OR CONSOLIDATED RETURN.~~

~~(D) (F) THIS SECTION MAY NOT BE CONSTRUED:~~