

- (2) ~~CORPORATION; AND~~
- (3) ~~PARTNERSHIP.~~

10-102.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "DISTRIBUTABLE CASH FLOW" MEANS TAXABLE INCOME REPORTABLE BY AN ENTITY ON ITS FEDERAL INCOME TAX RETURN FOR THE TAXABLE YEAR:

(I) ADJUSTED, IN THE CASE OF AN ENTITY USING THE ACCRUAL METHOD OF ACCOUNTING TO REPORT FEDERAL TAXABLE INCOME, TO REFLECT THE AMOUNT OF TAXABLE INCOME THAT WOULD HAVE BEEN REPORTED UNDER THE CASH METHOD OF ACCOUNTING;

(II) INCREASED BY THE SUM OF:

1. CASH RECEIPTS FOR THE TAXABLE YEAR THAT ARE NOT INCLUDABLE IN THE GROSS INCOME OF THE ENTITY, INCLUDING CAPITAL CONTRIBUTIONS AND LOAN PROCEEDS;

2. AMOUNTS ALLOWABLE TO THE ENTITY FOR THE TAXABLE YEAR AS DEDUCTIONS FOR DEPRECIATION, AMORTIZATION, AND DEPLETION; AND

3. THE DECREASE, IF ANY, IN THE ENTITY'S LIABILITY RESERVE AS OF THE END OF THE TAXABLE YEAR; AND

(III) DECREASED BY THE SUM OF:

1. CASH EXPENDITURES FOR THE TAXABLE YEAR THAT ARE NOT DEDUCTIBLE IN COMPUTING THE TAXABLE INCOME OF THE ENTITY, NOT INCLUDING DISTRIBUTIONS TO SHAREHOLDERS OR PARTNERS; AND

2. THE INCREASE, IF ANY, IN THE ENTITY'S LIABILITY RESERVE AS OF THE END OF THE TAXABLE YEAR.

(3) "LIABILITY RESERVE" MEANS ACCRUED UNPAID LIABILITIES THAT ARE NOT DEDUCTIBLE IN COMPUTING TAXABLE INCOME.

(4) "NONRESIDENT TAXABLE INCOME" MEANS ANY INCOME DESCRIBED IN § 10-210(B)(1) THROUGH (4) OF THIS TITLE.

(B) IN ADDITION TO ANY OTHER TAX IMPOSED UNDER THIS TITLE, A TAX IS IMPOSED ON EACH S CORPORATION AND PARTNERSHIP THAT HAS: