

IC 6-5.5-4

Chapter 4. Rules for Attributing Receipts

IC 6-5.5-4-1

Application of chapter

Sec. 1. This chapter applies to all taxpayers.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.6-2000, SEC.4.

IC 6-5.5-4-2

Definitions

Sec. 2. For purposes of computing receipts or the receipts factor under this article the following apply:

(1) "Receipts" means gross income (as defined in IC 6-5.5-1-10), plus the gross income excluded under Section 103 of the Internal Revenue Code, less gross income derived from sources outside the United States. However, upon the disposition of assets such as securities and money market transactions, when derived from transactions and activities in the regular course of the taxpayer's trade or business, receipts are limited to the gain (as defined in Section 1001 of the Internal Revenue Code) that is recognized upon the disposition.

(2) "Money market instruments" means federal funds sold and securities purchased under agreements to resell, commercial paper, banker's acceptances, and purchased certificates of deposit and similar instruments.

(3) "Securities" means United States Treasury securities, obligations of United States government agencies and corporations, obligations of state and political subdivisions, corporate stock and other securities, participations in securities backed by mortgages held by United States or state government agencies, loan backed securities and similar investments.

As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.29; P.L.68-1991, SEC.12.

IC 6-5.5-4-3

Lease or rental of real or tangible personal property

Sec. 3. Receipts from the lease or rental of real or tangible personal property must be attributed to Indiana if the property is located in Indiana.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-4

Secured loans or installment sales contracts; interest income and other receipts

Sec. 4. Interest income and other receipts from assets in the nature of loans or installment sales contracts that are primarily secured by or deal with real or tangible personal property must be attributed to Indiana if the security or sale property is located in Indiana.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-5**Unsecured consumer loans; interest income and other receipts**

Sec. 5. Interest income and other receipts from consumer loans not secured by real or tangible personal property must be attributed to Indiana if the loan is made to a resident of Indiana, whether at a place of business, by a traveling loan officer, by mail, by telephone, or by other electronic means.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-6**Unsecured commercial loans or installment obligations; interest income and other receipts to be applied in state**

Sec. 6. Interest income and other receipts from commercial loans and installment obligations not secured by real or tangible personal property must be attributed to Indiana if the proceeds of the loan are to be applied in Indiana. If it cannot be determined where the funds are to be applied, the income and receipts are attributed to the state in which the business applied for the loan. As used in this section, "applied for" means initial inquiry (including customer assistance in preparing the loan application) or submission of a completed loan application, whichever occurs first.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-7**Fee income and other receipts from letters of credit, acceptance of drafts, and other guarantees of credit; apportionment**

Sec. 7. Fee income and other receipts from letters of credit, acceptance of drafts, and other devices for assuring or guaranteeing loans or credit must be apportioned in the same manner as interest income and other receipts from commercial loans are apportioned.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-8**Credit cards; apportionment of service charges, interest income, and fees**

Sec. 8. Interest income, merchant discount, and other receipts including service charges from financial institution credit card and travel and entertainment credit card receivables and credit card holders' fees must be attributed to the state to which the card charges and fees are regularly billed.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-9**Receipts from sale of assets; apportionment**

Sec. 9. Receipts from the sale of an asset, tangible or intangible, must be apportioned in the manner that the income from the asset would be apportioned under this chapter.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-10

Receipts from performance of fiduciary and other services; apportionment

Sec. 10. Receipts from the performance of fiduciary and other services must be attributed to the state in which the benefits of the services are consumed. If the benefits are consumed in more than one (1) state, the receipts from those benefits must be apportioned to Indiana on a pro rata basis according to the portion of the benefits consumed in Indiana.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-11

Receipts from traveler's checks, money orders, or savings bonds

Sec. 11. Receipts from the issuance of traveler's checks, money orders, or United States savings bonds must be attributed to the state in which the traveler's checks, money orders, or bonds are purchased.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-12

Receipts from investments of financial institution in state securities

Sec. 12. Receipts from investments of a financial institution in securities of this state and its political subdivisions, agencies, and instrumentalities must be attributed to Indiana.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-13

Participation loans; apportionment of interest income and other receipts

Sec. 13. Interest income and other receipts from a participating financial institution's portion of participation loans must be attributed under this chapter. A participation loan is a loan in which more than one (1) lender is a creditor to a common borrower.

As added by P.L.347-1989(ss), SEC.1.

IC 6-5.5-4-14

Repealed

(Repealed by P.L.68-1991, SEC.18.)

IC 6-5.5-4-15

Repealed

(Repealed by P.L.68-1991, SEC.18.)