

**SUBCHAPTER 05G – MARKET-BASED SOURCING FOR APPORTIONMENT OF INCOME**

**SECTION .0100 – GENERAL RULES**

**17 NCAC 05G .0101 SCOPE**

The rules in this Subchapter shall not apply to receipts from the sale of tangible personal property. Other receipts are in North Carolina when the taxpayer's market for the sales is in North Carolina. The rules of this Subchapter establish uniform rules for:

- (1) determining to what extent the market for a sale is in North Carolina;
- (2) reasonably approximating the state or states of assignment where the state or states cannot be determined;
- (3) excluding receipts from the sale of intangible property from the numerator and denominator of the sales factor pursuant to G.S. 105-130.4(1); and
- (4) excluding receipts from the denominator of the sales factor where the state or states of assignment cannot be determined or reasonably approximated.

*History Note:* Authority G.S. 105-130.4; S.L. 2016-94;  
Eff. January 1, 2020 (See S.L. 2019-246, s. 3).