17 NCAC 05B .1110 RECIPROCAL INDEBTEDNESS BETWEEN AFFILIATES

A corporation which owes indebtedness to a parent, subsidiary or affiliated corporation and at the same time is owed indebtedness by the same parent, subsidiary or affiliated corporation may net the payable and receivable for purposes of the indebtedness computation in arriving at the capital stock, surplus and undivided profits base under G.S. 105-122. If the indebtedness is owed to one corporation and the receivable is due from another corporation, each amount must be treated separately.

History Note: *Authority G.S. 105-122; 105-262;*
Eff. February 1, 1976;
Amended Eff. January 1, 1994.