

SECTION .0400 - ADJUSTMENTS

17 NCAC 05F .0401 ADJUSTMENTS TO STATE NET INCOME

Adjustments the Secretary may make to intercompany transactions that are found to lack economic substance or not to be at fair market value include the following:

- (1) Disallowing deductions in whole or in part;
- (2) Attributing income to related corporations;
- (3) Disregarding transactions; and
- (4) Reclassifying income as apportionable or allocable.

History Note: Authority G.S. 105-130.5A; 105-262.1;
Eff. January 31, 2013;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017.