

OREGON

314.295 Apportionment or allocation where two or more organizations, trades or businesses are owned or controlled by the same interests. In any case of two or more organizations, trades or businesses (whether or not incorporated, whether or not organized in the United States and whether or not affiliated) owned or controlled directly or indirectly by the same interests, the Department of Revenue may distribute, apportion or allocate gross income, deductions, credits or allowances between or among such organizations, trades or businesses, if it determines that such distribution, apportionment or allocation is necessary in order to prevent evasion of taxes or clearly to reflect the income of any of such organizations, trades or businesses. [1957 c.632 §10 (enacted in lieu of 316.560 and 317.375); 1991 c.457 §16b]

IRC 1563

(b) Component member

(1) General rule

For purposes of this part, a corporation is a component member of a controlled group of corporations on a December 31 of any taxable year (and with respect to the taxable year which includes such December 31) if such corporation—

- (A) is a member of such controlled group of corporations on the December 31 included in such year and is not treated as an excluded member under paragraph (2), or
- (B) is not a member of such controlled group of corporations on the December 31 included in such year but is treated as an additional member under paragraph (3).

(2) Excluded members

A corporation which is a member of a controlled group of corporations on December 31 of any taxable year shall be treated as an excluded member of such group for the taxable year including such December 31 if such corporation—

- (A) is a member of such group for less than one-half the number of days in such taxable year which precede such December 31,
- (B) is exempt from taxation under section [501\(a\)](#) (except a corporation which is subject to tax on its unrelated business taxable income under section [511](#)) for such taxable year,
- (C) is a foreign corporation subject to tax under section [881](#) for such taxable year,
- (D) is an insurance company subject to taxation under section [801](#) (other than an insurance company which is a member of a controlled group described in subsection (a)(4)), or
- (E) is a franchised corporation, as defined in subsection (f)(4).

(3) Additional members

A corporation which—

- (A) was a member of a controlled group of corporations at any time during a calendar year,
- (B) is not a member of such group on December 31 of such calendar year, and
- (C) is not described, with respect to such group, in subparagraph (B), (C), (D), or (E) of paragraph (2), shall be treated as an additional member of such group on December 31 for its taxable year including such December 31 if it was a member of such group for one-half (or more) of the number of days in such taxable year which precede such December 31.

(4) Overlapping groups

If a corporation is a component member of more than one controlled group of corporations with respect to any taxable year, such corporation shall be treated as a component member of only one controlled group. The determination as to the group of which such corporation is a component member shall be made under regulations prescribed by the Secretary which are consistent with the purposes of this part.