

## **IC 6-5.5-5**

### **Chapter 5. Alternative Calculations; Combined Returns**

#### **IC 6-5.5-5-1**

##### **Members of unitary business; combined returns; fair representation of taxpayer income within state; reapportionment**

Sec. 1. (a) Except as provided in this section, a unitary group consisting of at least two (2) taxpayers shall file a combined return covering all the operations of the unitary business and including all of the members of the unitary business. However, only one (1) combined return needs to be filed, as provided in IC 6-5.5-6-1.

(b) If the department or taxpayer determines that the result of applying this section or article do not fairly represent the taxpayer's income within Indiana or the taxpayer's income within Indiana may be more fairly represented by a separate return, the taxpayer may petition for and the department may allow, or the department may require, in respect to all or a part of the taxpayer's business activity any of the following:

- (1) Separate accounting.
- (2) The filing of a separate return for the taxpayer.
- (3) A reallocation of tax items between a taxpayer and a member of the taxpayer's unitary group.

(c) Income apportioned under this article must reflect a change in adjusted gross income that is required to comply with a department order under this section.

*As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.30; P.L.68-1991, SEC.13.*

#### **IC 6-5.5-5-2**

##### **Members of unitary group; combined returns**

Sec. 2. A combined return must include the adjusted gross income of all members of the unitary group, even if some of the members would not otherwise be subject to taxation under this article. The department may require a member of a unitary group to provide any information that is needed by the department to determine the unitary group's apportioned income under this article. However, income of corporations or other entities organized in foreign countries, except a foreign bank (or its subsidiary) that transacts business in the United States, shall not be included in the combined return. In addition, the taxpayer shall eliminate, in calculating adjusted gross income, all income and deductions from transactions between entities that are included in the unitary group.

*As added by P.L.347-1989(ss), SEC.1. Amended by P.L.21-1990, SEC.31.*

#### **IC 6-5.5-5-3**

##### **Information or records required**

Sec. 3. The department may require and the taxpayer shall furnish information or records that the department determines to be necessary

for it to make the determination required under this article. The department may require this information to be included in the taxpayer's return.

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