

Locating the Source of Taxable Income in a Global Economy

A PRIMER ON FORMULARY APPORTIONMENT

Walter Hellerstein

Francis Shackelford Professor of Taxation
University of Georgia Law School

International Tax Policy Forum
American Enterprise Institute
Washington, DC
January 11, 2010

New York



Virginia

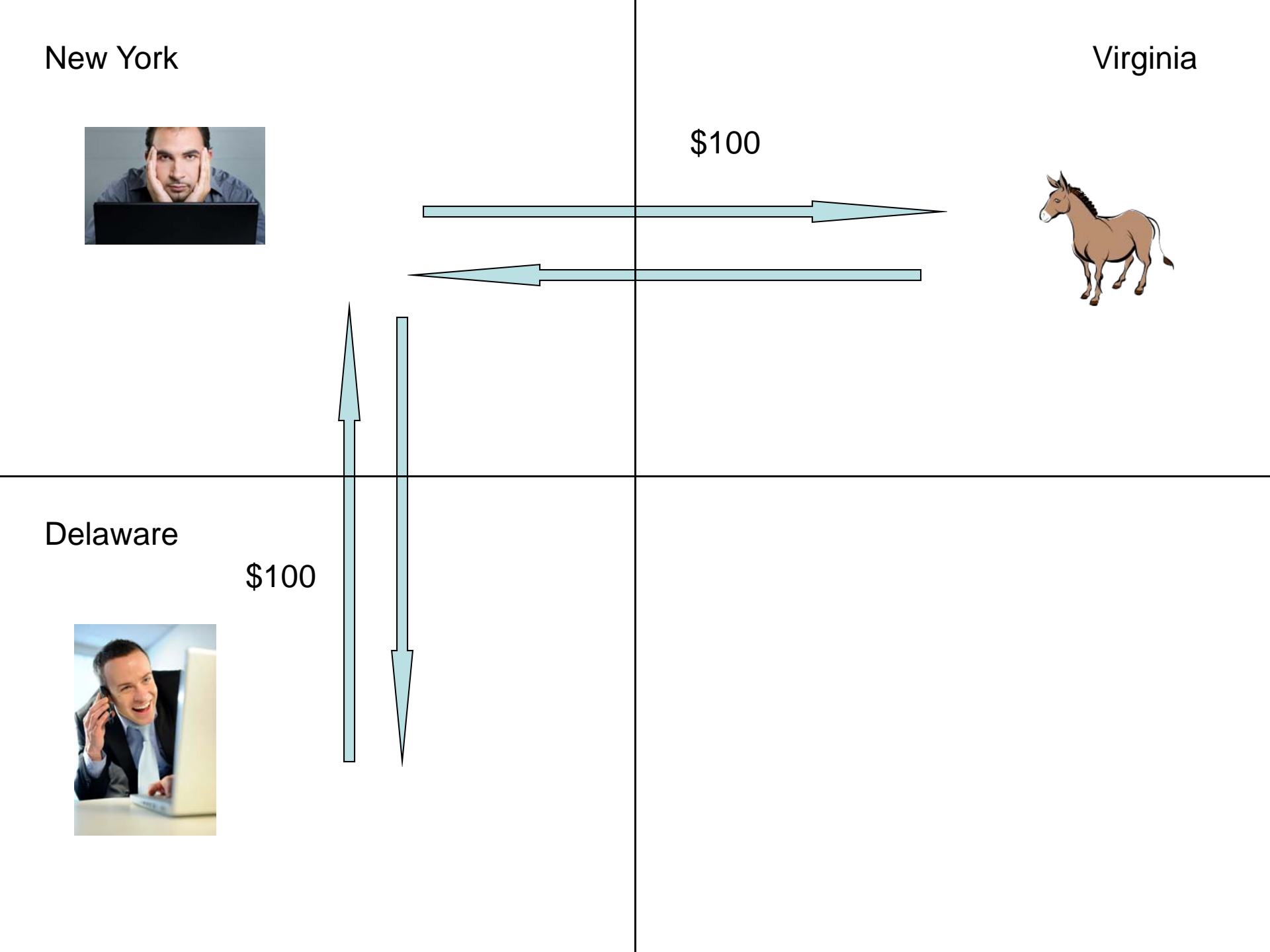


\$100

Delaware



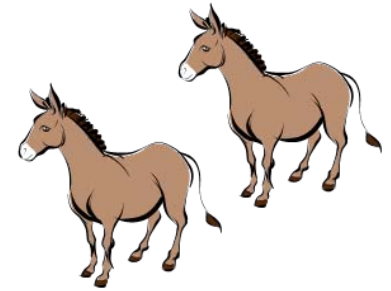
\$100



New York



Virginia



\$150

Delaware



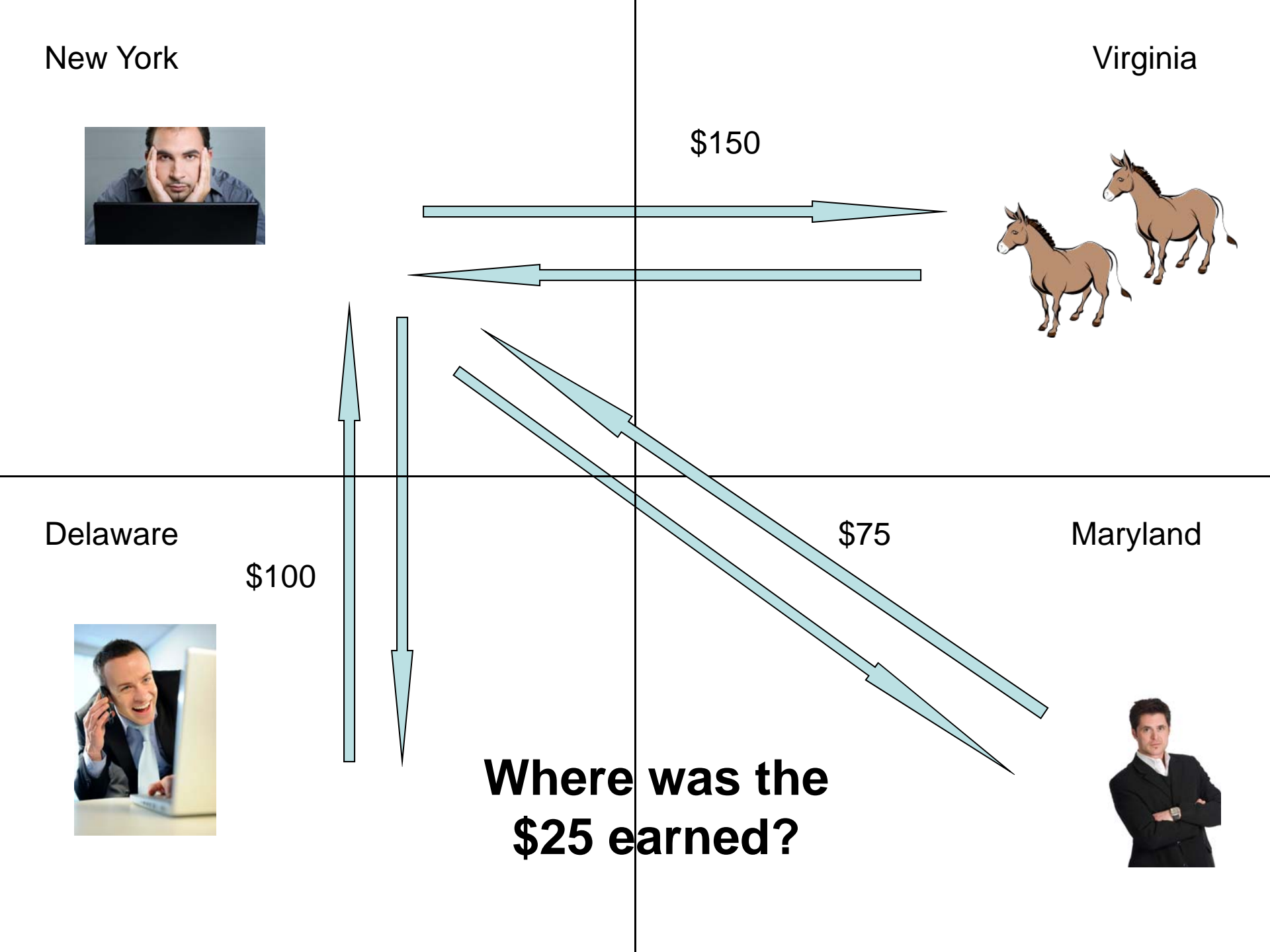
\$100

Maryland

\$75



**Where was the
\$25 earned?**



New York



Virginia



(\$100)

“The linchpin of apportionability in the field of state income taxation is the unitary business principle.” *Mobil Oil Corp. v. Commissioner of Taxes*, 445 U.S. 425, 439 (1980)

Maryland



\$100