

To: Michael Mazerov, MTC. Tel: 202-624-8699; Fax 202-624-8819
From: Margaret Kent: Tel 305-361-5800; Fax 305-361-7722
Re: Definitions of Business and Non-Business Income and a Unitary Business
Task Force B: Issue 4: unity of ownership
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Unity of Ownership

Unity of ownership is a primary determinant of a unitary relationship. Unless facts and circumstances otherwise dictate, ownership is determined by the majority of voting control.

However, unity of ownership does not necessarily indicate a unitary relationship. Businesses can have common ownership but not be unitary.

A lack of unity of ownership does not necessarily preclude a unitary relationship. Parties that would be subject to Section 482 of the Internal Revenue Code may be treated as unitary, despite the lack of unity of ownership. A unitary relationship can apply to a captive or contract manufacturer and to parties to such contract.