

TABLE 2: Taxable Income of MICRO Corp in State A: 25% of Out-of-State Sales Are Not Taxable in Other States

Nexus	Joyce Rule		Finnigan Rule	
	Throwout	Throwback	Throwout	Throwback
	A & B Only	A & B Only	A, B, & C	A, B, & C
Apportionment				
<u>Sales Factor</u>				
In-State Sales	\$8,500.00	\$10,437.50	\$10,500.00	\$14,437.50
Total US Sales	22,312.50	26,250.00	22,312.50	26,250.00
Out of State Sales	7,750.00	7,750.00	15,750.00	15,750.00
In-State Sales %	38.10%	39.76%	47.06%	55.00%
<u>Property Factor</u>				
In-State Property	4,000.00	4,000.00	4,000.00	4,000.00
Total US Property	26,250.00	26,250.00	26,250.00	26,250.00
Out of State Property	12,250.00	12,250.00	22,250.00	22,250.00
In-State Property %	15.24%	15.24%	15.24%	15.24%
<u>Payroll Factor</u>				
Total In-State Payroll	2,500.00	2,500.00	2,500.00	2,500.00
Total US Payroll	15,750.00	15,750.00	15,750.00	15,750.00
Out of State Payroll	7,250.00	7,250.00	13,250.00	13,250.00
Payroll %	15.87%	15.87%	15.87%	15.87%
Total Weighted Apportionment % (Double Weighted Sales)	26.83%	27.66%	31.31%	35.28%
Total Taxable Income	\$15,750.00	\$15,750.00	\$15,750.00	\$15,750.00
Taxable Income in State A	\$4,225.00	\$4,356.25	\$4,930.88	\$5,556.25