

conduct of a trade or business within the United States by a nonresident alien individual or foreign corporation include whether—

(1) the gains, profits, and income or loss are derived from assets used in or held for use in the conduct of such trade or business,

(2) the gains, profits, and income or loss are accounted for through such trade or business, or

(3) the activities of the trade or business were a material factor in the realization of the gains, profits, and income or loss.

PART II—NONRESIDENT ALIENS AND FOREIGN CORPORATIONS

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Subpart A—Nonresident Alien Individuals

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Sec. **[877]** 878. Foreign educational, charitable, and certain other exempt organizations.

SEC. 871. TAX ON NONRESIDENT ALIEN INDIVIDUALS.

[(a) NO UNITED STATES BUSINESS—30 PERCENT TAX.—

[(1) IMPOSITION OF TAX.—Except as otherwise provided in subsection (b) there is hereby imposed for each taxable year, in lieu of the tax imposed by section 1, on the amount received, by every nonresident alien individual not engaged in trade or business within the United States, from sources within the United States, as interest (except interest on deposits with persons carrying on the banking business), dividends, rents, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable annual or periodical gains, profits, and income (including amounts described in section 402(a)(2), section 403(a)(2), section 631 (b) and (c), and section 1235, which are considered to be gains from the sale or exchange of capital assets), a tax of 30 percent of such amount.

[(2) CAPITAL GAINS OF ALIENS TEMPORARILY PRESENT IN THE UNITED STATES.—In the case of a nonresident alien individual not engaged in trade or business in the United States, there is hereby imposed for each taxable year, in addition to the tax imposed by paragraph (1)—