

(B) derived in the conduct of a banking, financing, or similar business,

(C) received from a corporation in which the taxpayer owns at least 10 percent of the voting stock, **[or]**

(D) received on obligations acquired as a result of the disposition of a trade or business actively conducted by the taxpayer in a foreign country or possession of the United States or as a result of the disposition of stock or obligations of a corporation in which the taxpayer owned at least 10 percent of the voting stock **[.]**, or

(E) received by an overseas operations funding subsidiary on obligations of a related foreign corporation.

(3) **OVERALL LIMITATION NOT TO APPLY.**—The limitation provided by subsection (a) (2) shall not apply with respect to the interest income described in paragraph (2). The Secretary or his delegate shall by regulations prescribe the manner of application of subsection (e) with respect to cases in which the limitation provided by subsection (a) (2) applies with respect to income other than the interest income described in paragraph (2).

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(5) **DEFINITIONS FOR PURPOSES OF PARAGRAPH (1)(E).**—For purposes of paragraph (1)(E)—

(A) the term “overseas operations funding subsidiary” means a domestic corporation which (i) is a member of an affiliated group (within the meaning of section 1504) and is not the common parent corporation, and (ii) was formed and is availed of for the principal purpose of raising funds outside the United States through public offerings to foreign persons and of using such funds to finance the operations in foreign countries of one or more related foreign corporations, and

(B) a foreign corporation is, with respect to an overseas operations funding subsidiary, a related foreign corporation if the affiliated group of which such subsidiary is a member owns 50 percent or more of the voting stock of such foreign corporation either directly or through ownership of the voting stock of another foreign corporation.

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SEC. 906. NONRESIDENT ALIEN INDIVIDUALS AND FOREIGN CORPORATIONS.

(a) **ALLOWANCE OF CREDIT.**—A nonresident alien individual or a foreign corporation engaged in trade or business within the United States during the taxable year shall be allowed a credit under section 901 for the amount of any income, war profits, and excess profits taxes paid or accrued during the taxable year (or deemed, under section 902, paid or accrued during the taxable year) to any foreign country or possession of the United States with respect to income effectively connected with the conduct of a trade or business within the United States.