

1 *as effectively connected with the conduct of a trade or*
2 *business within the United States.*

3 “(4) *INCOME FROM SOURCES WITHOUT UNITED*
4 *STATES.—*

5 “(A) *Except as provided in subparagraphs*
6 *(B) and (C), no income, gain, or loss from sources*
7 *without the United States shall be treated as effec-*
8 *tively connected with the conduct of a trade or*
9 *business within the United States.*

10 “(B) *Income, gain, or loss from sources with-*
11 *out the United States shall be treated as effectively*
12 *connected with the conduct of a trade or business*
13 *within the United States by a nonresident alien*
14 *individual or a foreign corporation if such person*
15 *has an office or other fixed place of business within*
16 *the United States to which such income, gain, or*
17 *loss is attributable and such income, gain, or loss—*

18 “(i) *consists of rents or royalties for the*
19 *use of or for the privilege of using intangible*
20 *property described in section 862(a)(4) (in-*
21 *cluding any gain or loss realized on the sale of*
22 *such property) derived in the active conduct*
23 *of such trade or business;*

24 “(ii) *consists of dividends or interest, or*