

1 *shall be treated as a nonresident alien individual engaged in*  
 2 *trade or business within the United States, and any income*  
 3 *described in section 1441(b) (1) or (2) which is received*  
 4 *by such individual shall, to the extent derived from sources*  
 5 *within the United States, be treated as effectively connected*  
 6 *with the conduct of a trade or business within the United*  
 7 *States.*

8       “(d) *ELECTION TO TREAT REAL PROPERTY INCOME*  
 9 *AS INCOME CONNECTED WITH UNITED STATES BUSI-*  
 10 *NESS.—*

11       “(1) *IN GENERAL.—A nonresident alien individ-*  
 12 *ual who during the taxable year derives any income—*

13       “(A) *from real property held for the produc-*  
 14 *tion of income and located in the United States,*  
 15 *or from any interest in such real property, in-*  
 16 *cluding (i) gains from the sale or exchange of such*  
 17 *real property or an interest therein, (ii) rents or*  
 18 *royalties from mines, wells, or other natural deposits,*  
 19 *and (iii) gains described in section 631 (b) or (c),*  
 20 *and*

21       “(B) *which, but for this subsection, would not*  
 22 *be treated as income which is effectively connected*  
 23 *with the conduct of a trade or business within the*  
 24 *United States,*  
 25 *may elect for such taxable year to treat all such income*