

assets of a New York corporation, whose business consists entirely of operating department stores solely in Ohio although the principal office designated in the charter is outside Ohio for the purpose of determining the franchise tax. This question has been hereinbefore discussed, and such intangible items of assets for the purpose of determining the state franchise tax of such foreign corporation should be allocated as outlined above.

Specifically answering your inquiries, I am of the opinion that:

1. For the purpose of determining the franchise tax on foreign corporations doing business in Ohio, the term "business done within this state" by a foreign corporation should be construed as being such part of the business of such corporation as is transacted in Ohio, but excluding therefrom such business as is interstate commerce.

2. For the purpose of determining the amount of franchise tax due from a foreign corporation the situs of credits due to such foreign corporation arising out of business done in Ohio, should be determined in accordance with the provisions of Section 5328-2, General Code.

3. For the purpose of determining the amount of the franchise tax due from a foreign corporation whose sole business consists of operating a chain of department stores in Ohio, the accounts receivable, the deposits and other intangible items used in the furtherance of Ohio business should be allocated to Ohio. Other intangible items forming reserves or general balances of the owner, not used particularly in the furtherance of the doing of business in Ohio, should be allocated without the state. The "investments" should be allocated in and out of the state in proportion to the situs of physical property representing such investments.

Respectfully,

GILBERT BETTMAN,
Attorney General.

4276.

APPROVAL, NOTES OF BRACEVILLE TOWNSHIP RURAL SCHOOL DISTRICT, TRUMBULL COUNTY, OHIO—\$4,650.00.

COLUMBUS, OHIO, April 28, 1932.

Retirement Board, State Teachers Retirement System, Columbus, Ohio.

4277.

APPROVAL, NOTES OF LIBERTY TOWNSHIP RURAL SCHOOL DISTRICT, TRUMBULL COUNTY, OHIO—\$7,500.00.

COLUMBUS, OHIO, April 28, 1932.

Retirement Board, State Teachers Retirement System, Columbus, Ohio.