32 T.C. 743 (1959)

A corporation that commences business after the beginning of its base period, and which does not fall under specific exceptions, qualifies as a “new corporation” and is entitled to calculate its average base period net income under the provisions of Section 445 of the 1939 Internal Revenue Code.

Summary

The United States Tax Court considered whether Aurora Paperboard Company, a subsidiary of The Davey Company, qualified as a “new corporation” under Section 445 of the 1939 Internal Revenue Code, allowing it to calculate its separate average base period net income using a specified method. The Commissioner argued that Aurora was an

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