sit.[1177] In other respects, however, the Court has applied the foreign commerce aspect of the clause more stringently against state taxation. Thus, in *Japan Line, Ltd. v. County of Los Angeles,*[1178] the Court held that, in addition to satisfying the four requirements that govern the permissibility of state taxation of interstate commerce,[1179] "When a State seeks to tax the instrumentalities of foreign commerce, two additional considerations . . . come into play. The first is the enhanced risk of multiple taxation . . . . Second, a state tax on the instrumentalities of foreign commerce may impair federal uniformity in an area where federal uniformity is essential."[1180] Multiple taxation is to be avoided with respect to interstate commerce by apportionment so that no jurisdiction may tax all the property of a multistate business, and the rule of apportionment is enforced by the Supreme Court with jurisdiction over all the states. However, the Court is unable to enforce such a rule against another country, and the country of the domicile of the business may impose a tax on full value. Uniformity could be frustrated by disputes over multiple taxation, and trade disputes could result.

Applying both of these concerns, the Court invalidated a state tax, a nondiscriminatory, *ad valorem* property tax, on foreign-owned instrumentalities, *i.e.*, cargo containers, of international commerce. The containers were used exclusively in international commerce and were based in Japan, which did in fact tax them on full value. Thus there was not only the risk, but the actuality, of multiple taxation. National uniformity was endangered, because, although California taxed the Japanese containers, Japan did not tax American containers, and disputes resulted.[1181]

[1177] *See*, *e.g.*, Halliburton Oil Well Co. v. Reily, 373 U.S. 64 (1963); Minnesota v. Blasius, 290 U.S. 1 (1933). After the holding in *Michelin Tire*, the two clauses are now congruent. The Court has observed that the two clauses are animated by the same policies. Japan Line, Ltd. v. County of Los Angeles, 441 U.S. 434, 449–50 n.14 (1979).

[1178] 441 U.S. 434 (1979).

[1179] Complete Auto Transit, Inc. v. Brady, 430 U.S. 274, 279 (1977). A state tax failed to pass the nondiscrimination standard in Kraft General Foods, Inc. v. Iowa Dept. of Revenue and Finance, 505 U.S. 71 (1992). Iowa imposed an income tax on a unitary business operating throughout the United States and in several foreign countries. It taxed the dividends that a corporation received from its foreign subsidiaries, but not the dividends it received from its domestic subsidiaries. Therefore, there was a facial distinction between foreign and domestic commerce.

[1180] 441 U.S. at 446, 448. *See also* Itel Containers Int'l Corp. v. Huddleston, 507 U.S. 60 (1993) (sustaining state sales tax as applied to lease of containers delivered within the state and used in foreign commerce).

[1181] 441 U.S. at 451–57. For income taxes, the test is more lenient, accepting not only the risk but the actuality of some double taxation as something simply inherent in accounting devices. Container Corp. of America v. Franchise Tax Board, 463 U.S. 159, 187–192 (1983).