

$$\begin{array}{l} \text{Related person debt} \\ \text{allocated to the} \\ \text{passive category} \end{array} = \begin{array}{l} \text{Total related} \\ \text{person debt} \end{array} \times \frac{\begin{array}{l} \text{Related person interest allocable} \\ \text{to passive income under} \\ \text{paragraph (c)(2)(ii)(C)} \end{array}}{\text{All related person interest}}$$