Sec. 271. (1) A taxpayer subject to the tax levied by section 51 and whose income received after September 30, 1967 is increased or diminished by the disposition of property acquired before October 1, 1967, which is described in and subject to subchapter P of the internal revenue code, may elect to recomputed taxable income by excluding therefrom the proportional gain or loss incurred before October 1, 1967. Taxpayers so electing shall be subject to a tax on taxable income thus recomputed at the rates imposed by this part. An election so made shall include all items of gains or losses realized during the taxable year.

(2) The proportion of gain or loss occurring after September 30, 1967, to total gain or loss is equal to the proportion the number of months after September 30, 1967, to date of disposition bears to the number of months from date of acquisition to date of disposition.