

Corporation Income Tax Returns, 1992

by Jonathan E. Shook and Janice Washington

For Tax Year 1992, as the economy emerged from the 1990-1991 recession, corporate pre-tax profits as reported on income tax returns increased 16.6 percent to \$402.0 billion. The \$305.7 billion increase in corporate sales and other receipts significantly exceeded the \$242.8 billion growth in deductions, fueling the increase in net income. The number of profit-reporting corporations increased 6.2 percent to a record 2.1 million, while the profits they reported rose 6.5 percent to a record \$570.4 billion. Corporations reporting net losses declined 3.0 percent and the deficits they reported declined from \$190.9 billion to \$168.4 billion.

The increase in positive net income led to an increase in "income subject to tax" (the tax base for regular income tax purposes) from \$350.0 billion to \$377.9 billion. This increase, in part, prompted the regular corporation income tax (before tax credits) to increase from \$116.3 billion to \$125.8 billion. Total income tax after credits (the amount actually payable to the U.S. Government), increased \$8.9 billion to \$101.5 billion.

Number of Returns

The estimated number of active corporation income tax returns for Tax Year 1992 increased 1.7 percent to 3,869,023 compared to Tax Year 1991 (Figure A). This modest increase continued the slow growth trend exhibited since Tax Year 1989 [1]. However, returns with net income increased sharply, rising 6.2 percent to a record high of 2,063,593. Consistent with the increase in returns with net income, the number of returns without net income declined 3.0 percent to 1,805,430. As a percentage of total returns, the number of returns without net income declined to 47 percent of all returns, down from 49 percent for 1990 and 1991.

By industrial division, the total number of returns rose in agriculture, forestry, and fishing; transportation and public utilities; finance, insurance, and real estate; and services. The number of returns classified in mining continued to decline, down 6.5 percent for 1992. The number of returns classified in construction also declined, dropping 2.2 percent. For returns with net income, agriculture, forestry, and fishing; transportation and public utilities; and the services divisions recorded the largest increases (Figure B).

By return type, the number of Form 1120-A (corporation short-form) returns filed recorded the largest percentage increase, rising 6.9 percent to 280,697 (Figure C).

Jonathan Shook is an economist and Janice Washington is a statistician with the Corporation Returns Analysis Section. This article was prepared under the direction of Ken Szeflinski.

Figure A

Number and Growth Rate of Returns Filed, Tax Years 1982-1992

Tax Year	Total active corporation returns	Percentage increase over previous year	Number of returns with net income
	(1)	(2)	(3)
1982.....	2,925,933	4.0	1,608,363
1983.....	2,999,071	2.5	1,676,288
1984.....	3,170,743	5.7	1,777,770
1985.....	3,277,219	3.4	1,820,120
1986.....	3,428,515	4.6	1,907,738
1987.....	3,612,133	5.4	1,995,452
1988.....	3,562,789	-1.4	1,908,799
1989.....	3,627,863	1.8	1,921,805
1990.....	3,716,650	2.5	1,910,670
1991.....	3,802,788	2.3	1,942,450
1992.....	3,869,023	1.7	2,063,593

Tax Year	Percentage increase over previous year	Number of returns without net income	Percentage increase over previous year
	(4)	(5)	(6)
1982.....	0.6	1,317,576	8.4
1983.....	4.2	1,322,783	0.4
1984.....	6.0	1,392,973	5.3
1985.....	2.4	1,457,099	4.6
1986.....	4.8	1,520,777	4.4
1987.....	4.6	1,616,681	6.3
1988.....	-4.3	1,653,990	2.3
1989.....	0.7	1,706,058	3.1
1990.....	-0.6	1,805,980	5.9
1991.....	1.7	1,860,338	3.0
1992.....	6.2	1,805,430	-3.0

NOTE: Number of returns excludes Foreign Sales Corporations and Interest-Charge Domestic International Sales Corporations starting with Tax Year 1988; previously includes returns of Domestic International Sales Corporations.

The number of Form 1120 returns, those filed by most corporations, declined 2.1 percent to 1,782,933, continuing the decline that began with 1987. In contrast, the number of Form 1120S returns filed by qualifying corporations electing to be taxed through their shareholders increased 5.1 percent to 1,785,371, continuing their upward trend that began with 1982. However, the increase in the number of S Corporation returns for 1992 was down markedly, considering that their annual growth rate since passage of the Tax Reform Act of 1986 (TRA '86) averaged 14.1 percent. Despite the slower growth rate for 1992, S Corporations comprised 46.1 percent of all corporation income tax returns filed for 1992, up slightly from 44.7 percent for 1991 [2].

Net Income

Pre-tax profits reported on corporation income tax returns for Tax Year 1992 increased sharply, rising 16.6 percent

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Figure B

Number of Returns by Industrial Division, Tax Years 1991-1992

Industrial division	1991				1992			
	Number of returns	Percentage increase over 1990	Number of returns with net income	Percentage increase over 1990	Number of returns	Percentage increase over 1991	Number of returns with net income	Percentage increase over 1991
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All Industries ¹	3,802,788	2.3	1,942,450	1.7	3,869,023	1.7	2,063,593	6.2
Agriculture, forestry, and fishing.....	129,886	2.7	69,543	-2.0	137,833	6.1	79,399	14.2
Mining.....	39,199	-1.2	17,893	-2.9	36,660	-6.5	15,824	-11.6
Construction.....	416,987	2.5	233,866	4.7	407,881	-2.2	224,509	-4.0
Manufacturing.....	300,122	-0.5	163,599	-2.3	300,071	(²)	169,381	3.5
Transportation and public utilities.....	164,980	2.9	88,263	8.4	178,284	8.1	97,677	10.7
Wholesale and retail trade.....	1,043,534	2.0	536,277	1.7	1,052,713	0.9	567,784	5.9
Finance, insurance, and real estate....	617,557	1.4	273,097	1.3	635,268	2.9	295,066	8.0
Services.....	1,061,657	3.1	551,235	0.9	1,100,449	3.7	607,204	10.2

¹ Includes returns not allocable by industrial division.

² Less than .05 percent.

NOTE: Number of returns excludes Foreign Sales Corporations and Interest-Charge Domestic International Sales Corporations.

to \$402.0 billion (Figure D). The rebound in corporate profits for 1992, compared to 1991 when profits declined, in large part, reflected the improved economy [3]. The growth in the gross domestic product (GDP) for 1992 was 2.6 percent compared to a 0.7 percent decline for 1991 [4]. Like prior years, most corporate profits for 1992 were attributable to returns with total assets of \$250 million or more. However, for 1992, the 6,269 returns with total assets of \$250 million or more accounted for nearly 79 percent of corporate profits, down from 83 percent for 1991.

Reversing the decline in profits recorded for 1991, agriculture, forestry, and fishing division posted the largest percentage increase in profits for 1992, rising 156.9 percent to \$1, 607.3 million (Figure D). Also reversing the 1991 decline, services division profits increased 89.6 percent to \$18.5 billion. The \$8.8 billion increase in profits was mostly due to the \$3.9 billion increase recorded for business services (except advertising). In addition, the amusement and recreation services

(except motion pictures) posted a \$1.2 billion gain.

Profits for the wholesale and retail trade division also increased sharply for 1992, rising \$11.4 billion to \$41.3 billion. Retailers contributed \$7.2 billion to the increased profits compared to 1991; wholesalers recorded a gain of \$4.2 billion. While increases in profits were recorded throughout the retail trade segment, the most significant gains were recorded by motor vehicle dealers and "other retail stores" (which includes such entities as jewelry stores, optical goods stores, florists, book stores, and sporting goods stores). For 1992, pre-tax profits for motor vehicle dealers surged 308.3 percent to \$1.8 billion, reflecting increased sales and profit margins [5]. Profits for "other retail stores" increased \$1.1 billion to \$2.5 billion. Within the wholesale trade component, profits rose \$1.1 billion to \$1.7 billion for companies engaged in wholesaling "other durable goods" (which includes office equipment, industrial equipment and supplies, and jewelry wholesalers). Motor vehicle and automotive equipment wholesalers' profits also increased, rising nearly \$1.0 billion, from \$0.3 billion to \$1.3 billion.

Compared to 1991, profits reported for the finance, insurance, and real estate; transportation and public utilities; and manufacturing divisions increased 18.0, 10.7, and 8.6 percent, respectively. Within finance, insurance, and real estate, the \$21.9 billion increase in profits recorded by bank holding companies (to \$31.9 billion) accounted for most of the gain. The improved quality of bank assets and the increased spread between interest income and interest expense, set in the context of a general economic rebound, were largely responsible for the improved profits [6].

Within the transportation and public utilities division, radio and television broadcasting and telephone, telegraph, and other communication services accounted for

Figure C

Number of Returns by Form Type, Tax Years 1991-1992

Form type	1991	1992	Percentage increase
	(1)	(2)	(3)
Total	3,802,788	3,869,023	1.7
Form 1120.....	1,821,503	1,782,933	-2.1
Form 1120-A.....	262,648	280,697	6.9
Form 1120S.....	1,698,271	1,785,371	5.1
Form 1120L.....	2,026	1,959	-3.3
Form 1120-PC.....	2,506	2,475	-1.2
Form 1120-RIC.....	5,585	5,842	4.6
Form 1120-REIT.....	291	293	0.7
Form 1120F.....	9,958	9,452	-5.1

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Figure D

Net Income (Less Deficit) and Net Income, by Industrial Division, Tax Years 1991-1992

(Money amounts are in thousands of dollars)

Industrial division	Net Income (less deficit)				Net income			
	1991		1992		1991		1992	
	Amount	Percentage increase	Amount	Percentage increase	Amount	Percentage increase	Amount	Percentage increase
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All Industries ¹	344,859,794	-7.0	401,997,022	16.6	535,816,622	-3.0	570,431,380	6.5
Agriculture, forestry, and fishing.....	625,656	-45.9	1,607,297	156.9	3,774,209	-12.8	4,625,097	22.5
Mining.....	4,001,356	-24.5	2,706,769	-32.4	7,721,788	-14.9	6,688,820	-13.4
Construction.....	6,103,605	-10.6	5,505,062	-9.8	14,965,305	-5.6	13,812,392	-7.7
Manufacturing.....	132,269,225	-22.8	143,627,403	8.6	181,884,248	-14.6	184,567,950	1.5
Transportation and public utilities.....	37,742,965	6.6	41,789,809	10.7	53,590,652	4.1	58,195,820	8.6
Wholesale and retail trade.....	29,951,221	-0.1	41,343,782	38.0	64,477,312	-1.4	72,317,416	12.2
Finance, insurance, and real estate..	124,545,504	13.3	146,978,975	18.0	174,249,613	10.0	188,715,713	8.3
Services.....	9,769,891	-8.0	18,525,343	89.6	34,963,661	0.3	41,370,718	18.3

¹ Includes net income or deficit not allocable by industrial division.

NOTES: Excludes net income or deficit of Foreign Sales Corporations and Interest-Charge Domestic International Sales Corporations. Detail may not add to totals because of rounding.

most of the gain, increasing \$1.9 and \$1.7 billion, respectively. For manufacturing, gains were widespread by industry. The largest part of the division's \$11.3 billion gain was associated with motor vehicles and equipment. For 1992, motor vehicle and equipment manufacturers reported pre-tax profits of \$0.1 billion, a \$5.6 billion increase over 1991 when they reported an overall loss. However, the increase in profits among manufacturers was offset somewhat by the \$4.2 billion decline recorded for aircraft, guided missiles, and parts manufacturers.

As Figure D indicates, like 1991, both mining and construction showed declines in net income. In mining, oil and gas extractors' profits dropped \$1.9 billion, from \$3.5 billion to \$1.7 billion, after declining \$0.4 billion for 1991. For construction, the \$1.2 billion drop in profits among heavy construction contractors offset the improved profits reported by all other construction business.

Receipts

Total receipts, the sum of business receipts and investment income, increased \$305.7 billion to \$11,742.1 billion [7] (Table 1). This 2.7 percent gain reversed the previous 3-year pattern of receipts increasing at a decreasing rate. The increase for 1992 exceeded the \$242.8 billion growth in total deductions, prompting the sharp increase in corporate profits (see the discussion of profits in the Net Income section of this article).

Business receipts, the operating income of most corporations and the principal component of total receipts, jumped \$394.8 billion [8]. This 4.0 percent increase pushed the business receipts, as reported on corporation income tax returns, to a new high, over \$10,360.4 billion. This increase surpassed the 1.1 percent gain recorded for 1991 and, like total receipts, the gain in business receipts

for 1992 reversed a 3-year pattern of declining rates of increase.

For 1992, total receipts increased in all industrial divisions, except construction and finance, insurance, and real estate. The largest increase was recorded for wholesale and retail trade, which increased \$123.3 billion to \$3,503.9 billion. Manufacturing, the largest single contributor to total receipts, accounted for almost all of the rest of the 1992 increase, increasing \$102.8 billion to \$3,760.3 billion.

Continuing the decline that began with 1991, taxable interest income dropped 10.4 percent from \$883.3 billion to \$790.9 billion for 1992 (Table 2). Taxable interest for 1992 was 16.1 percent less than the \$942.2 billion recorded for 1990. This 2-year decline was largely a result of declining interest rates [9]. As with prior years, most of the interest income was attributable to commercial banks and bank holding companies. For 1992, taxable interest income for banking declined \$56.4 billion to \$316.2 billion, accounting for 61.1 percent of the total decline.

Conversely, tax-exempt interest on State and local Government obligations rose 5.5 percent to \$38.3 billion. The \$2.0 billion increase recorded for 1992 followed a \$1.2 billion increase for 1991. Like taxable interest, most tax-exempt interest income was attributable to finance, insurance, and real estate, but, unlike taxable interest, most of it was reported by regulated investment companies (i.e., mutual funds). Tax-exempt interest reported by regulated investment companies increased 12.8 percent to \$17.4 billion. The nearly \$2.0 billion increase reported by these companies was consistent with the large increase in tax-exempt securities reported on their balance sheets, which increased from \$188.7 billion to \$262.3 billion (see the discussion of tax-exempt securities in the Balance

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Sheet section of this article). Tax-exempt interest reported by insurance companies also increased, rising 8.7 percent to \$8.5 billion.

Among the other types of corporate receipts, the largest percentage gain for 1992 was recorded for royalties, which increased nearly 19.0 percent to \$41.4 billion. Of the \$6.6 billion increase, fully \$5.6 billion was attributable to manufacturing, primarily in office, computing, and accounting machines. Net short-term capital gains (reduced by net long-term capital losses) rose \$0.8 billion to \$14.6 billion. This 6.1 percent increase was substantially less than the 234.3 percent gain recorded for 1991. However, indicative of the inherent fluctuating character of these short-term transactions, short-term gains had previously dropped 62 percent from 1989 to 1990. Net long-term capital gains (reduced by net short-term capital losses) reversed the trend of decreases that began with 1986, when the beneficial tax treatment of long-term capital gains was rescinded by TRA '86 [10]. For 1992, these gains grew 9.7 percent to \$45.1 billion. The life insurance industry was the primary reason, in particular, the stock life insurance segment, whose net long-term capital gains increased \$3.4 billion to nearly \$5.0 billion.

Deductions

Total deductions increased 2.2 percent to \$11,329.9 billion for 1992. However, the \$242.8 billion increase in total deductions was far less than the \$305.7 billion increase in total receipts, giving rise to the sizable increase

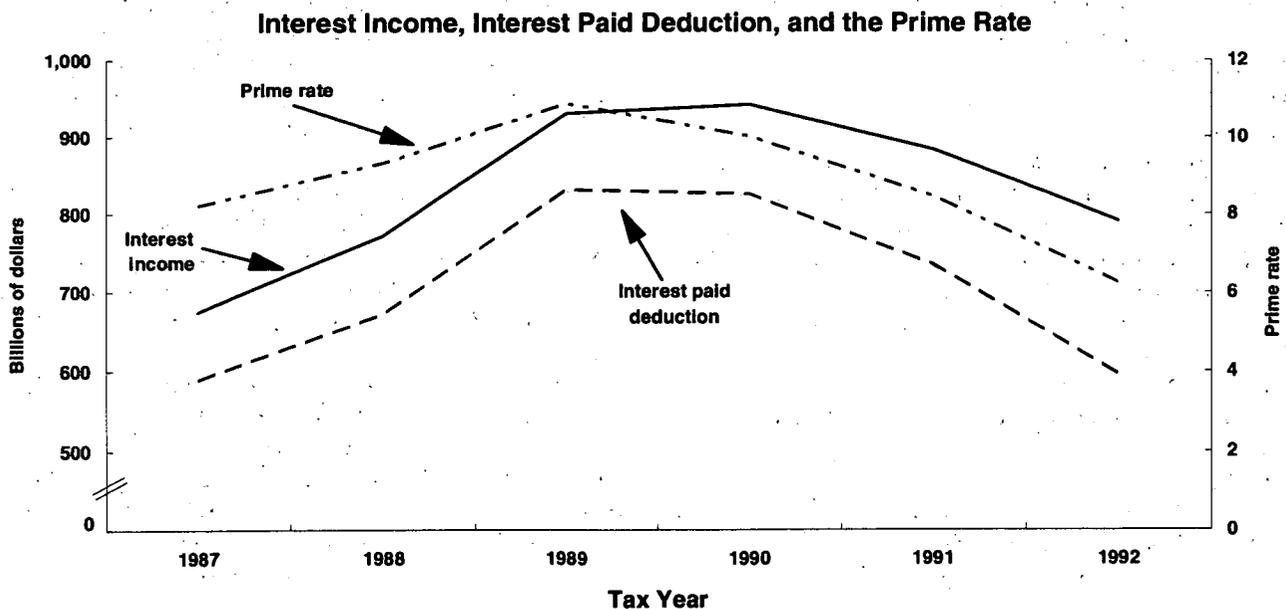
in net income previously described. Cost of sales and operations, generally the largest deduction item, rose \$117.4 billion to \$6,771.8 billion (Table 2). Although its 1992 growth of 1.8 percent was more than the 0.7 percent increase for 1991, it was considerably less than the 4.0 percent growth in business receipts for 1992, thus the increase in net income.

For 1992, the interest paid deduction dropped 18.5 percent from \$735.7 billion to \$597.0 billion, the third consecutive year of decline. Since 1989, the interest paid deduction declined 28.2 percent, a \$234.5 billion decrease. Like taxable interest income, the decline was largely driven by the decline in interest rates. As Figure E illustrates, both taxable interest income and the interest paid deduction grew rapidly as interest rates increased (using the prime rate) from 1987 to 1989. However, as economic growth slowed and interest rates declined from their 1989 high to their fourth quarter 1992 low, interest-sensitive corporate receipts and deductions followed suit.

The largest decline in the interest paid deduction was, again, in the finance, insurance, and real estate division, dropping \$97.2 billion to \$326.3 billion for 1992. Most of this was interest paid on deposits and withdrawable shares by banking and savings institutions or interest paid by these institutions on bonds, notes, loans, and mortgages. Within the finance division, commercial banks and savings and loan associations accounted for most of the decline, decreasing by \$91.4 billion.

After increasing by more than 20 percent for the 2 prior

Figure E



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years, the bad debt deduction reported by corporations reversed directions for 1992, dropping 11.2 percent to \$89.6 billion. Like the increases recorded for the 2 prior years, most of the decrease for 1992 was attributable to finance, insurance, and real estate. Again, commercial banks and savings and loan associations accounted for the largest part of the decline, dropping \$9.3 billion to \$40.6 billion. In general, the decline for the bad debt deduction recorded for 1992 reflected the improved financial health of commercial banks and the remaining savings and loan institutions [11,12].

In percentage terms, the largest increase among deduction items, compared to 1991, was for pension, profit-sharing, stock bonus, and annuity plans. For 1992, the deduction for contributions to these plans increased 20.8 percent to \$56.2 billion. Most of the \$9.7 billion increase was attributable to manufacturing, which rose \$7.1 billion. Within manufacturing, motor vehicles and equipment manufacturers accounted for the largest part, increasing from \$1.4 billion to \$6.8 billion.

The charitable contributions deduction increased 15.9 percent to \$5.5 billion. Charitable contributions by manufacturers increased 14.4 percent to \$2.5 billion, largely because of companies classified in printing and publishing, chemicals and allied products, or petroleum and coal products. Charitable contributions also increased for finance, insurance, and real estate, rising 27.1 percent to \$1.1 billion. The largest increases were recorded for bank holding companies and "other credit agencies" (which includes companies like mortgage bankers and brokers, Federal Home Loan banks, and agricultural credit institutions).

After a decline for 1990 and a small increase for 1991, the depreciation deduction reported by corporations rebounded for 1992, increasing from \$333.9 billion to \$346.2 billion. This 3.7 percent increase was the largest recorded since 1985, where the depreciation deduction rose 14.9 percent in advance of TRA '86, which instituted a Modified Accelerated Cost Recovery System (MACRS) that lengthened certain class lives over which assets could be depreciated for tax purposes and changed the depreciation methods for business property placed in service after 1986. Prior to TRA '86, from 1980 through 1985, depreciation deductions rose at an average annual rate of 14.1 percent, while after TRA '86, from 1987 through 1992, the average rate of increase dropped to 1.7 percent.

Assets

The total book value of assets reported on corporation income tax returns for 1992 increased nearly \$1.0 trillion to \$20.0 trillion (Table 1). The 5.1 percent growth in

1992 exceeded the 4.6 and 3.1 percent increases recorded for 1991 and 1990, respectively. The largest dollar increase for 1992 was recorded in the "other investments" account which rose \$0.2 trillion to almost \$5.0 trillion. Most of these investments were in such items as loans to subsidiaries and investments in the stocks and bonds of other corporations.

Figure F reveals the changing composition of assets from 1982 to 1992. For 1992, "other investments" was

the largest asset account on tax return balance sheets, comprising 24.9 percent of the total. A decade earlier, "other investments" was only 17.2 percent of total assets. Notes and accounts receivable (net of the allowance for bad debts) was the second largest asset item for 1992, represent-

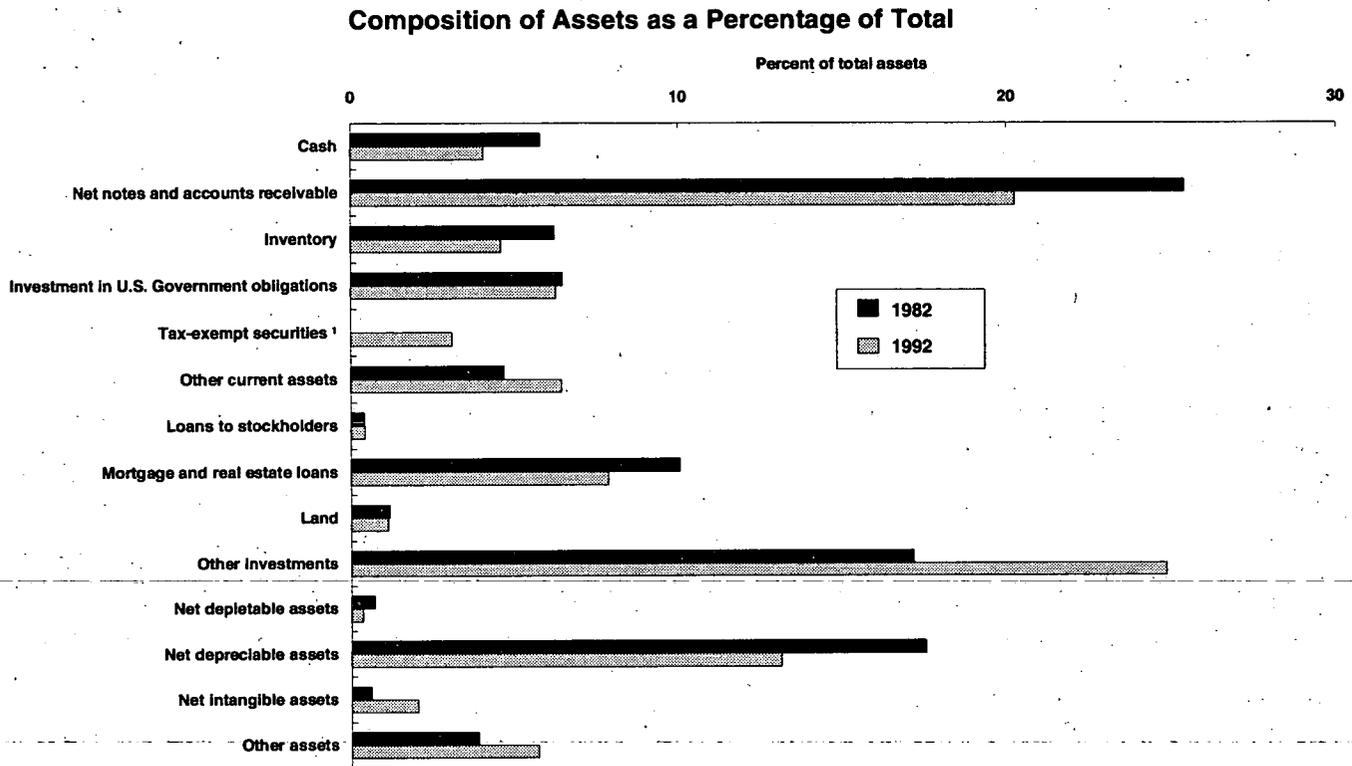
The 3.7 percent increase in depreciation to \$346.2 billion was the largest since 1985.

ing 20.2 percent of total assets. In contrast, net notes and accounts receivable for 1982 represented 25.4 percent of total corporate assets. In addition, net depreciable assets comprised 13.1 percent of total assets for 1992, down from 17.5 percent for 1982.

By industrial division, the largest increase in total assets was recorded for the finance, insurance, and real estate division. Total assets for the finance division increased 6.5 percent, from \$10.8 trillion to \$11.5 trillion. For the second consecutive year, the largest increase was that recorded for regulated investment companies, whose total assets grew from \$1.5 trillion to \$1.9 trillion, an increase of 24.0 percent. Since 1990, total assets of regulated investment companies increased nearly 54.0 percent, from \$1.2 trillion to \$1.9 trillion. In general, the sharp growth in mutual fund assets reflected the record-breaking performance of the securities markets and the infusion of new cash into mutual funds as a consequence of declining interest rates [13].

The largest percentage increase in corporate assets, compared to 1991, was for tax-exempt securities. In 1992, investments in tax-exempt securities increased 31.2 percent to \$615.6 billion. The \$146.4 billion increase for 1992 followed an \$88.9 billion gain for 1991. Nearly the entire increase for 1992 was attributable to finance, insurance, and real estate, where tax-exempt investments rose 34.2 percent to \$570.6 billion. The increase in tax-exempt securities was largely caused by regulated investment companies and insurance companies. Investments in tax-exempt securities by regulated investment companies increased \$73.6 billion to \$262.3 billion in 1992, an increase of 39.0 percent. Investments in these securities

Figure F



¹ "Tax-exempt securities" were included in "Investment in U.S. Government obligations" or "Other investments" and not shown separately for 1982.

by life and property and casualty insurance companies also increased sharply, rising 37.4 percent to \$216.7 billion.

Investment in U.S. Government obligations rose 16.8 percent to \$1.2 trillion. Like tax-exempt securities, the increase in investments in U.S. Government obligations was principally driven by the finance division, especially by bank holding companies and regulated investment companies. Bank holding company investments increased \$72.0 billion to \$491.5 billion, while those of regulated investment companies increased 37.0 percent to \$248.5 billion.

Reversing the slight decline recorded for 1991, intangible assets rose 7.9 percent to \$528.6 billion for 1992. This increase may reflect the increased number of completed merger and acquisitions observed for 1992, whereas the number of completed mergers and acquisitions for 1991 declined compared to 1990 [14]. In general, the acquisition costs of trademarks, patents, copyrights, and like assets tend to increase during periods of increased merger and acquisition activity, and such acquisition costs are properly accounted for as intangible assets.

Liabilities and Stockholders' Equity

Compared to 1991, the largest percentage increases on corporation tax return balance sheets for 1992 occurred in the equity accounts. Paid-in or capital surplus increased 12.2 percent to \$3,655.8 billion. The \$398.6 billion increase was slightly less than the \$443.0 billion increase recorded for 1991. Since 1989, the paid-in or capital surplus account increased \$1,060.6 billion, an increase of 40.8 percent. The capital stock account increased 8.1 percent to \$1,881.1 billion in 1992, after increasing 9.9 percent in 1991. Since 1989, the capital stock account increased \$403.9 billion, a 27.4 percent gain. Most of the increase in these two equity items was due to regulated investment companies and reflected the growth of mutual funds in the early 1990's. Generally, the growth in these two equity items is related since paid-in or capital surplus, in part, represents receipts from the sale of capital stock in excess of par value.

Corporate indebtedness, as indicated by the various liability accounts, rose 4.0 percent to \$14.3 trillion for 1992. Short-term debt, which includes accounts payable, mortgages, notes and bonds payable in 1 year or less, and

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“other current liabilities,” increased 4.3 percent to \$8.4 trillion. Long-term debt, defined as long-term mortgages, notes and bonds payable, loans from stockholders, and “other liabilities,” increased 3.6 percent to \$5.9 trillion.

Figure G illustrates the growth of the debt and equity portions of corporate balance sheets for 1982 through 1992. From 1982 through 1986, the debt portion of liabilities and stockholders' equity was generally around 74.0 percent of the total; the equity portion was around 26 percent. After a slight increase for Tax Years 1987 and 1988, the debt portion steadily declined, to 71.5 percent for 1992. Conversely, the equity portion increased to 28.5 percent.

Income Tax and Tax Credits

“Income subject to tax” (the base on which the regular corporation income tax was computed) increased by 8.0 percent, from \$350.0 billion for 1991 to \$377.9 billion. For most corporations, income subject to tax was equal to net income minus certain “statutory special deductions,”[15] at least in theory. See the following explanation. While positive net income increased for 1992 (by 6.5 percent), total statutory special deductions declined, leading to a disproportionate increase in income subject to tax (relative to net income). At least partly as a result, the regular corporation income tax (before reductions by credits) increased by 8.2 percent to \$125.8 billion for 1992 (Figure H), a new high.

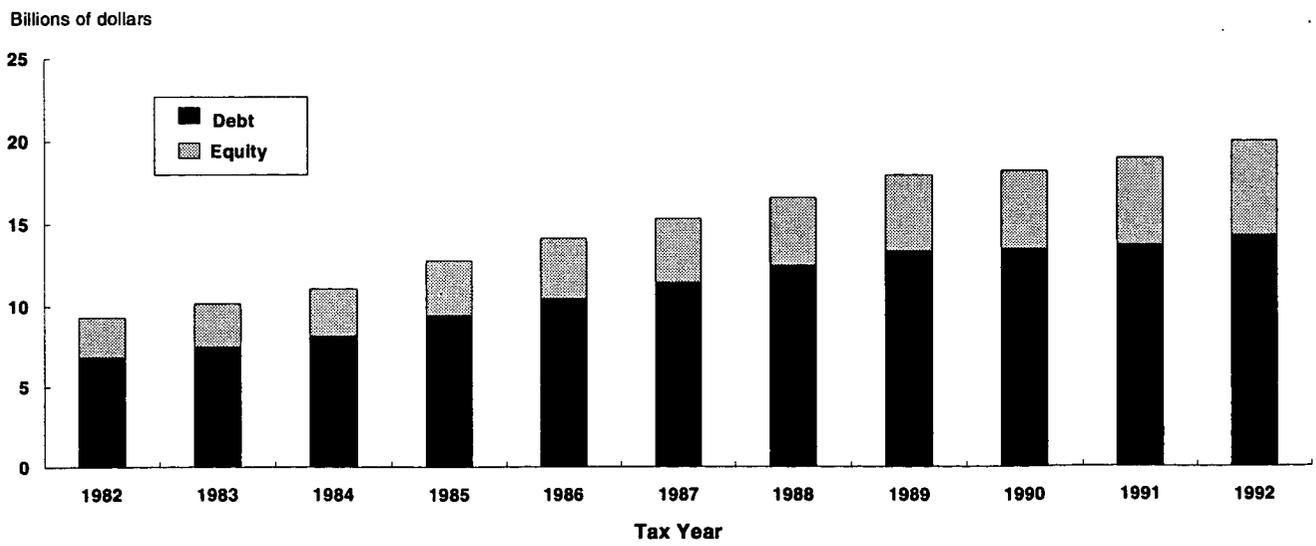
Total statutory special deductions decreased by 4.0

percent from \$122.6 billion to \$117.6 billion. This was due to the decline in net income for “regulated investment companies” and “real estate investment trusts” which declined \$3.5 billion from 1991 to 1992. This resulted in the decline of deduction for dividends paid by regulated investment companies and real estate investment trusts (from \$68.4 billion to \$64.9 billion) and net operating loss deduction (from \$41.2 billion to \$38.9 billion) since they are limited to the amount in net income. This decrease was more than enough to offset the increase in the deduction for intercorporate dividends received (from \$12.6 billion to \$13.4 billion). The much smaller deductions for small life insurance company deduction (from \$330.3 million to \$370.3 million) and for dividends paid on certain preferred stock of public utilities (from \$45.0 million to \$50.0 million) were not enough to affect the total.

The statistics for the net operating loss deduction represent only the amounts not deductible in prior years and, therefore, carried forward for 1992 use. Because amounts first had to be carried back from the loss year before they could be carried forward, the decline for 1992 may signify either a decline in the losses themselves, or in the amounts that needed to be carried forward to 1992. (In general, “net operating losses” were the deficits as shown in the statistics, excluding those of S Corporations which were allocated to their shareholders, augmented by “unused” portions of the deductions for intercorporate dividends received and for dividends paid on certain

Figure G

Corporation Debt and Equity, 1982-1992



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Figure H

Statutory Special Deductions, Income Subject to Tax, Selected Tax and Tax Credit Items, Tax Years 1991-1992

(Money amounts are in thousands of dollars)

Item	1991	1992	Percentage Increase
	(1)	(2)	
Statutory special deductions, total..	122,575,062	117,627,408	-4.04
Net operating loss deduction.....	41,152,433	38,894,962	-5.49
Dividends received deduction.....	12,614,637	13,448,638	6.61
Public utility dividends paid deduction.....	45,015	49,908	10.87
Income subject to tax, total.....	350,009,712	377,899,601	7.97
Income tax, total¹.....	121,121,231	131,284,690	8.39
Regular tax.....	116,275,308	125,770,915	8.17
Personal Holding Company tax ²	14,764	20,494	38.81
Tax from recapture of investment and low-income housing credits ² ..	72,786	25,145	-65.45
Alternative minimum tax ²	5,320,587	4,856,262	-8.73
Environmental tax ²	479,288	496,610	3.61
Tax credits, total.....	28,554,911	29,752,312	4.19
Foreign tax credit.....	21,096,940	21,520,683	2.01
U.S. possessions tax credit.....	3,472,330	3,748,561	7.96
Orphan drug credit.....	18,475	17,826	-3.51
Nonconventional source fuel credit..	244,732	233,331	-4.66
General business credit.....	2,206,371	1,918,100	-13.07
Prior-year minimum tax credit.....	1,516,063	2,313,811	52.62
Total income tax after credits.....	92,566,319	101,532,379	9.69

¹ Includes certain other taxes, not shown below.

² For purposes of the statistics, this tax is included in both income tax before and after credits. By law, tax credits can only offset regular tax.

Note: Detail may not add to totals because of rounding.

preferred public utility stock.)

It should be noted that the statistics for statutory special deductions include (a) certain unused amounts reported by corporations without net income and, therefore, without income subject to tax, as well as (b) unused portions attributable to some corporations with net income, which was entirely offset by certain of these deductions, so that these corporations reported no income subject to the corporation income tax. In addition, the relationship between net income and income subject to tax was defined differently for life insurance businesses and real estate investment trusts. Therefore, the net income shown in the statistics (which also includes the net income of S Corporations, which was, in general, taxable to shareholders), minus statutory special deductions will not yield the statistics for income subject to tax.

Regular tax, which was the tax applicable to most corporations (accounting for 96 percent of the total tax), was reduced by foreign tax, U.S. possessions tax, orphan drug, nonconventional source fuel, general business, and prior-year minimum tax credits. Manufacturers were responsible for the largest portion (40.8 percent) of

regular tax, with chemical and allied products accounting for 22.2 percent and petroleum (including integrated) and coal products accounting for 13.1 percent of the total. Foreign tax credit (the largest credit) increased slightly, from \$21.1 billion for 1991 to \$21.5 billion for 1992. Manufacturers claimed 71.4 percent of the foreign tax credit, led by petroleum (including integrated) and coal products and chemicals and allied products, which together accounted for 36.0 percent of the grand total.

The U.S. possessions tax credit increased every year starting with 1989. It increased 8.0 percent from 1991 to 1992, from \$3.5 billion to \$3.7 billion. Manufacturers accounted for 97 percent of the total with chemical and allied products, alone, accounting for 60 percent of the manufacturing total. The Tax Reform Act of 1976 added the U.S. possessions tax credit in lieu of the ordinary foreign tax credit in order to provide a tax incentive for domestic corporations to invest in Puerto Rico (or U.S. possessions, including American Samoa, Guam, Johnston Island, Midway Islands, and Wake Island.)

The "general business credit" continued its long decline, most recently from \$2.2 billion for 1991 to \$1.9 billion. For 1992, the credit includes amounts for investment credit (certain capital expenditures made during Tax Year 1992, which, with the exceptions, reflected in the statistics, was abolished by the TRA '86), jobs credit, credit for alcohol used as fuel, credit for increasing research activities, low-income housing credit, enhanced oil recovery credit, disabled access credit, renewable electricity production credit, as well as the carryforward of previously unused investment credits. (The purpose of the general business credit was to provide a uniform limitation on the amount that could be used to reduce tax liability and to establish uniform rules for carrybacks and carryforwards. Each credit was computed separately. The total of the credits became the general business credit for the purpose of applying the maximum tax liability rules and the carryback and carryforward rules.) The carryforward was the largest component (83.9 percent) of the "tentative" general business credit (the credit before limitations). Total allowable research credit was the largest of the current-year expenditures credited (in contrast to the amounts carried forward), representing two-thirds of the total current amount claimed as a credit. The current-year portion of the investment credit component, representing capital expenditures made during Tax Year 1992, continued to decline, from \$1,145.1 million for 1990, to \$309.7 million for 1991, to only \$111.0 million for 1992.

Corporations that reported "alternative minimum tax," or AMT, in prior years could elect to take a credit against

Corporation Income Tax Returns, 1992

regular tax liability based on that AMT (subject to certain limitations), but the credit could not be applied against their current-year AMT liability. The prior-year minimum tax credit increased 52.6 percent from 1991 to 1992. Most of the increase in this credit was due to amounts claimed by bank holding companies which increased from \$182.7 million to \$616.8 million. This increase was the result of the carryforward of unused minimum tax credit from earlier years. (Unused credit could be carried forward indefinitely to reduce regular tax.)

For purposes of the statistics, total income tax before or after credits includes regular tax, Personal Holding Company tax, taxes from recapturing prior-year investment or low-income housing credits, alternative minimum tax, environmental tax, other taxes unique to specific types of corporations, and certain statutory tax adjustments. AMT was the largest of these additional taxes. AMT continued the decline that began with 1991, dropping 8.7 percent from \$5.3 to \$4.9 billion for 1992. Trade and services were the only two industrial divisions to show an increase for 1992. Total income tax after credits, the amount actually due the Federal Government, increased, from \$92.6 billion for Tax Year 1991 to \$101.5 billion.

Summary

Reflecting the end of the 1990-1991 recession, the number of returns with net income increased 6.2 percent for 1992, compared to only a 1.7 percent increase for 1991. Only the mining and construction industrial divisions showed a decline in the number of profit-reporting returns. Corporate pre-tax profits reversed the prior 3-year pattern of declines, increasing 16.6 percent to \$402.0 billion. Increases in pre-tax profits were recorded for each industrial division, except mining and construction. Losses reported by corporations without net income declined 11.8 percent, from \$190.9 billion to \$168.4 billion for 1992.

As "positive" net income grew for 1992, so did income subject to tax (the tax base tabulated for Statistics of Income). Income subject to tax increased 8.0 percent, from \$350.0 billion to \$377.9 billion for 1992. This gain led to an 8.2 percent increase in the regular income tax (before credits) from \$116.3 billion to \$125.8 billion. Total tax after credits, the amount payable to the U.S. Government, increased \$8.9 billion to \$101.5 billion.

Data Sources and Limitations

Data for Tax Year 1992 are based on a sample of corporation income tax returns with accounting periods ended July 1992 through June 1993. These returns represented domestic corporations filing Form 1120 or 1120-A (short form); foreign corporations with income "effectively

connected" with a U.S. business filing Form 1120F; life insurance companies filing Form 1120L; property and casualty insurance companies filing Form 1120-PC; S Corporations filing Form 1120S; regulated investment companies filing Form 1120-RIC; and real estate investment trusts filing Form 1120-REIT. For purposes of the 1992 statistics, Forms 1120 IC-DISC filed by certain Domestic International Sales Corporations and Forms 1120-FSC filed by Foreign Sales Corporations were excluded. The 1987 revisions to the Standard Industrial Classification are not reflected in the industry statistics.

The estimates were based on a stratified probability sample of 84,213 corporation income tax returns drawn from a total population of 4,204,834. Based on 80,822 active corporation returns in the sample, the population estimate of active corporations is 3,869,023. The sample was selected after administrative processing was complete, but before any audit examination, and was stratified based on combinations of net income and total assets at rates ranging from 0.25 percent to 100 percent.

Because the data are based on a sample, they are subject to sampling error. To properly use the statistics, the magnitude of the potential sampling error needs to be known. Coefficients of variation (CV's) are used to measure this magnitude. Figure I presents the CV's for the number of returns by asset size and industrial division. The smaller the CV, the more reliable the estimate is judged to be.

Notes and References

- [1] For Tax Year 1988, the number of returns declined for the first time since the end of World War II. This decline was prompted by the Tax Reform Act of 1986 which caused some companies to be represented in the 1987 statistics twice, by a part-year and a full-year return, each with an accounting period ending during the span of months July 1987 through June 1988 (the accounting periods comprising the Tax Year 1987, as defined for these statistics). The unusually large number of part-year returns for that year, in turn, led to an unusually large increase in the total number of returns. The increase in part-year returns was caused by many S Corporations (and Personal Service Corporations) changing their accounting periods from a non-calendar year to a calendar year as required by the 1986 Act. In addition, other corporations changed to S Corporation status in order to take advantage of the lower individual income tax rates applicable to S Corporation profits (which are taxed through shareholders) allowed under the Act.

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Figure 1

Coefficients of Variation for Number of Returns, Tax Year 1992

Division	Size of total assets						
	Totals	Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All Industries ¹	0.73	3.67	1.20	1.56	1.42	1.26	0.76
Agriculture, forestry, and fishing.....	3.95	26.82	7.70	8.62	6.45	5.20	4.25
Mining.....	7.14	33.84	13.64	16.65	13.50	10.91	7.24
Construction.....	2.32	13.14	3.73	4.91	4.45	3.97	2.41
Manufacturing.....	2.47	16.38	5.43	6.02	4.78	3.79	1.93
Transportation.....	3.53	15.15	5.92	7.90	6.54	5.64	3.65
Wholesale and retail trade.....	1.37	7.42	2.57	2.63	2.50	2.23	1.33
Finance, insurance, and real estate.....	1.74	7.59	3.30	3.86	3.20	2.84	1.67
Services.....	1.39	6.77	1.83	3.17	3.33	3.26	2.17

Division	Size of total assets--Continued					
	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
	(8)	(9)	(10)	(11)	(12)	(13)
All Industries ¹	1.24	0.82	0.81	0.07	0.07	
Agriculture, forestry, and fishing.....	10.72	7.82	9.07	0.87	1.08	
Mining.....	9.55	6.33	7.06	0.62	0.65	Not subject to sampling error
Construction.....	4.52	3.66	5.21	0.51	0.71	
Manufacturing.....	2.68	1.64	1.75	0.16	0.17	
Transportation.....	5.84	3.76	4.31	0.67	0.42	
Wholesale and retail trade.....	2.28	1.74	2.22	0.22	0.25	
Finance, insurance, and real estate.....	2.57	1.45	1.13	0.10	0.08	
Services.....	3.85	2.66	3.11	0.29	0.32	

¹ Includes returns not allocable by industrial division.

[2] See Gill, Amy M., "S Corporation Returns, 1992," *Statistics of Income Bulletin*, Spring 1995, Volume 14, Number 4.

[3] But note that starting with Tax Year 1987, statistics for net income or deficit and for receipts and deductions of S Corporations are limited to those derived from a trade or business. Investment or portfolio income (or loss) such as interest, dividends, rents, royalties and gain (loss) from sales of investment property, and the deductions related to this income were not included in the corporation totals because investment or portfolio income is allocated directly to shareholders for taxation. Therefore, the overall statistics for receipts, deductions, and net income or deficit are slightly understated; it is estimated that total net income (less deficit), alone, is understated by \$8.5 billion (see Gill, Amy M., *op. cit.*).

[4] U.S. Office of Management and Budget, *Economic Report of the President*, February 1994, Table B-2, p. 271.

[5] Hamrock, Susan, "Motor Vehicles and Parts," *1994 U.S. Industrial Outlook*, U.S. Department of Commerce, International Trade Administration, January 1994, pp. 35-28, 29.

[6] Candilis, Wray O., and Shuman, John R., "Financial Services," *1994 U.S. Industrial Outlook, op. cit.*, p. 45-2.

[7] See footnote 3 above.

[8] In the finance, insurance, and real estate industries, business receipts included such banking items as fees, commissions, trust department earnings, and service charges which may have originally been reported on attached schedules as other income. For such companies, these items were included in the statistics for business receipts, not other receipts. Similarly, condominium management fees reported by condominium management and cooperative housing associations were included in business receipts, when identified from attached other income schedules.

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schedules. Rents reported by real estate operators and lessors of buildings as their principal income were included in the statistics for business receipts. Premium income of most insurance companies was included in business receipts. Regulated investment companies and Real estate investment trusts do not report business receipts.

- [9] U.S. Office of Management and Budget, *Economic Report of the President*, January 1993, p. 37, and Table B-69, pp. 428-29.
- [10] The preferential "alternative tax" rate on net long-term capital gains (reduced by net short-term capital losses) was repealed by the Tax Reform Act of 1986 for tax years that began on or after July 1, 1987, effectively taxing corporate capital gains at the regular corporate tax rates. (Also, because they were no longer given preferential tax treatment, these gains were exempted from the "alternative minimum tax" on "tax preference" items.)
- [11] Candilis, Wray O., and Shuman, John R., "Financial

Services," *1994 U.S. Industrial Outlook, op. cit.*, p. 45-2.

- [12] Feid, John J., and Colantuoni, Joseph A., "Financial Services," *1994 U.S. Industrial Outlook, op. cit.*, p. 45-5.
- [13] Muir, S. Cassin, "Securities Industry," *1994 U.S. Industrial Outlook, op. cit.*, p. 46-5.
- [14] *Mergers & Acquisitions, 1994 Almanac and Index*, May/June 1994, Volume 28, Number 6, p. 48.
- [15] For 1992, statutory special deductions include the following: the several dividends received deductions; the deduction for dividends paid on certain preferred stock of public utilities; the deduction for dividends paid by regulated investment companies and real estate investment trusts; the special deduction for taxes paid by real estate investment trusts allowed under section 857; and the special deduction allowed small life insurance companies.

Corporation Income Tax Returns, 1992

Table 1.—Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division and Asset Size ¹

[All figures are estimates based on samples—money amounts are in thousands of dollars and size of total assets is in whole dollars.]

Item, industrial division	Total ¹	Size of total assets				
		Zero assets ²	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000
	(1)	(2)	(3)	(4)	(5)	(6)
ALL INDUSTRIES ³						
Number of returns.....	3,869,023	245,100	1,986,072	628,341	384,301	260,281
Total assets.....	20,002,093,972	--	61,308,230	101,333,879	136,392,501	183,335,866
Total receipts ⁴	11,742,134,729	144,994,388	363,567,430	311,445,940	332,737,946	394,206,237
Business receipts.....	10,360,428,794	89,936,619	355,749,150	305,394,140	324,672,783	384,187,005
Interest paid.....	597,033,444	36,800,116	2,956,630	3,118,329	3,894,659	5,099,709
Net income (less deficit) ⁴	401,997,022	-264,490	2,009,018	2,754,358	3,389,118	3,821,372
Total income tax ⁵	131,284,690	1,427,799	365,543	544,512	675,042	1,052,918
Income tax after credits ⁵	101,532,379	1,379,724	357,410	534,403	650,318	1,024,438
Net worth.....	5,700,354,747	--	-17,871,381	22,167,882	38,761,106	56,909,213
AGRICULTURE, FORESTRY, AND FISHING						
Number of returns.....	137,833	4,639	59,579	23,916	21,541	16,525
Total assets.....	71,760,770	--	1,878,904	4,046,005	7,663,546	11,707,668
Total receipts ⁴	95,563,041	912,198	7,488,142	7,191,587	11,106,893	13,164,871
Business receipts.....	89,556,975	842,483	6,794,374	6,670,346	10,379,652	12,257,878
Interest paid.....	2,453,897	27,936	121,743	207,758	265,501	359,450
Net income (less deficit) ⁴	1,607,297	24,317	122,619	139,694	121,211	270,238
Total income tax ⁵	563,325	5,955	13,110	19,181	27,203	50,469
Income tax after credits ⁵	496,946	5,955	11,909	18,574	26,053	49,296
Net worth.....	25,079,476	--	-187,761	843,359	2,809,991	5,501,491
MINING						
Number of returns.....	36,660	1,985	16,341	5,596	4,431	3,569
Total assets.....	218,211,769	--	560,714	850,936	1,560,551	2,531,603
Total receipts ⁴	112,830,722	1,252,576	1,326,482	1,303,945	1,835,942	3,642,627
Business receipts.....	102,467,999	1,111,694	1,251,926	1,193,702	1,723,422	3,417,926
Interest paid.....	5,153,228	35,056	35,396	22,176	26,907	61,929
Net income (less deficit) ⁴	2,706,769	-47,507	-82,819	-60,313	2,781	-7,341
Total income tax ⁵	1,657,953	9,530	*4,174	*5,259	4,885	11,988
Income tax after credits ⁵	969,531	8,544	4,160	5,259	4,210	11,911
Net worth.....	106,082,663	--	-1,281,736	-16,482	-2,018,186	615,624
CONSTRUCTION						
Number of returns.....	407,881	18,905	222,227	64,835	41,243	27,228
Total assets.....	231,050,110	--	6,542,634	10,692,135	14,788,837	19,020,296
Total receipts ⁴	499,405,033	3,772,640	47,930,053	42,215,164	42,981,255	45,245,325
Business receipts.....	488,401,977	3,543,714	47,694,469	41,839,084	42,186,784	44,671,056
Interest paid.....	5,413,320	57,336	348,139	346,320	353,315	417,488
Net income (less deficit) ⁴	5,505,062	-100,596	406,320	400,094	442,708	414,024
Total income tax ⁵	1,550,717	5,713	41,422	61,157	95,726	107,672
Income tax after credits ⁵	1,376,546	5,295	40,417	60,363	91,216	105,509
Net worth.....	71,556,252	--	201,375	3,332,179	5,139,755	6,590,299
MANUFACTURING						
Number of returns.....	300,071	11,676	114,033	46,192	36,837	30,065
Total assets.....	4,113,123,804	--	3,985,848	7,547,922	13,346,295	21,118,418
Total receipts ⁴	3,760,265,837	11,992,539	22,507,109	23,068,030	35,564,270	50,828,243
Business receipts.....	3,513,707,078	11,494,637	22,127,896	22,821,984	35,083,969	50,190,658
Interest paid.....	127,971,817	281,653	185,229	263,555	432,253	623,522
Net income (less deficit) ⁴	143,627,403	-176,769	-330,208	-112,058	136,228	578,068
Total income tax ⁵	53,369,555	96,275	21,709	45,527	76,617	154,088
Income tax after credits ⁵	32,851,672	79,152	21,306	44,728	74,130	149,623
Net worth.....	1,411,948,242	--	-1,646,933	1,225,723	3,762,518	7,262,424

Footnotes at end of table.

Corporation Income Tax Returns, 1992

Table 1.—Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division and Asset Size ¹—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars and size of total assets is in whole dollars.]

Item, industrial division	Total ¹	Size of total assets				
		Zero assets ²	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000
	(1)	(2)	(3)	(4)	(5)	(6)
TRANSPORTATION AND PUBLIC UTILITIES						
Number of returns.....	178,284	14,561	90,340	25,129	18,348	13,284
Total assets.....	1,641,997,827	--	2,933,392	3,991,396	6,479,352	9,445,384
Total receipts ⁴	997,640,581	4,336,455	26,152,023	13,360,741	18,011,529	22,159,321
Business receipts.....	941,456,847	3,710,598	25,705,110	13,155,484	17,652,340	21,533,955
Interest paid.....	56,073,874	501,562	129,991	138,410	266,782	368,297
Net income (less deficit) ⁴	41,789,809	-216,315	44,521	51,338	86,640	199,881
Total income tax ⁵	17,942,081	19,085	18,468	25,820	36,967	69,051
Income tax after credits ⁵	16,627,618	19,073	17,794	23,550	35,626	63,541
Net worth.....	535,664,915	--	-438,446	714,040	1,077,337	-48,232
WHOLESALE AND RETAIL TRADE						
Number of returns.....	1,052,713	60,159	462,793	214,430	122,751	82,498
Total assets.....	1,581,910,771	--	17,340,178	34,715,598	43,770,312	57,831,467
Total receipts ⁴	3,503,944,396	48,703,855	98,764,486	138,803,328	149,322,339	188,249,170
Business receipts.....	3,416,387,593	47,330,284	97,912,853	137,174,258	147,539,017	185,498,955
Interest paid.....	50,510,058	425,458	644,458	1,050,824	1,288,902	1,535,202
Net income (less deficit) ⁴	41,343,782	-403,255	-741,624	396,219	927,023	1,747,406
Total income tax ⁵	14,844,365	128,456	68,768	172,135	213,843	340,631
Income tax after credits ⁵	13,157,318	123,860	66,721	169,106	211,801	332,226
Net worth.....	404,190,513	--	-3,376,719	7,649,825	13,812,367	20,200,444
FINANCE, INSURANCE, AND REAL ESTATE						
Number of returns.....	635,268	48,328	280,977	101,226	71,288	48,901
Total assets.....	11,480,469,997	--	8,677,245	16,605,649	25,088,005	34,773,226
Total receipts ⁴	1,900,428,224	59,875,503	28,117,325	16,716,993	15,478,562	14,091,813
Business receipts.....	989,306,810	9,406,748	25,986,031	15,075,014	13,344,157	11,664,144
Interest paid.....	326,347,417	35,114,261	650,827	397,289	469,907	800,172
Net income (less deficit) ⁴	146,978,975	728,500	58,863	344,802	426,099	369,431
Total income tax ⁵	35,433,128	1,096,379	81,955	92,061	105,698	129,167
Income tax after credits ⁵	30,902,544	1,072,997	81,431	91,584	98,429	126,903
Net worth.....	2,949,156,395	--	-9,838,294	2,842,073	7,429,085	9,450,638
SERVICES						
Number of returns.....	1,100,449	78,738	729,680	144,530	67,303	37,870
Total assets.....	661,597,099	--	19,268,348	22,487,977	23,501,194	26,674,166
Total receipts ⁴	869,533,422	13,849,214	130,799,967	68,471,175	58,045,553	56,179,880
Business receipts.....	816,783,759	12,237,026	127,814,033	67,156,747	56,387,856	54,323,098
Interest paid.....	23,050,166	352,472	837,935	678,061	782,473	928,308
Net income (less deficit) ⁴	18,525,343	-67,955	2,564,466	1,638,540	1,245,542	236,919
Total income tax ⁵	5,920,338	65,719	114,936	123,011	113,437	189,852
Income tax after credits ⁵	5,147,294	64,163	112,670	120,878	108,187	185,428
Net worth.....	196,588,365	--	-1,338,370	5,674,315	6,682,021	7,441,250

Footnotes at end of table.

Corporation Income Tax Returns, 1992

Table 1.—Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division and Asset Size 1—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars and size of total assets is in whole dollars.]

Item, industrial division	Size of total assets						
	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
ALL INDUSTRIES ³							
Number of returns.....	270,840	38,176	24,544	11,153	7,720	6,227	6,269
Total assets.....	566,301,331	264,805,890	382,562,892	396,551,507	546,183,678	983,424,801	16,379,893,397
Total receipts ⁴	1,209,909,710	515,844,822	590,604,860	409,095,068	389,452,190	595,787,671	6,484,488,468
Business receipts.....	1,180,997,564	501,008,762	568,363,842	384,404,714	353,871,879	530,994,225	5,380,848,112
Interest paid.....	16,086,762	7,011,854	10,508,793	11,079,269	15,777,513	27,296,167	457,403,643
Net income (less deficit) ⁴	14,453,470	7,757,364	11,809,955	8,169,761	11,092,294	21,435,618	315,569,184
Total income tax ⁵	3,702,027	2,098,826	3,296,358	3,321,685	4,356,690	7,436,981	103,006,310
Income tax after credits ⁵	3,531,539	1,999,553	3,047,433	3,013,522	3,768,620	6,314,982	75,910,437
Net worth.....	162,396,548	79,071,783	116,582,465	122,786,915	164,891,785	339,632,457	4,615,025,974
AGRICULTURE, FORESTRY AND FISHING							
Number of returns.....	10,449	631	344	112	56	26	14
Total assets.....	19,334,461	4,300,552	5,130,304	3,903,397	3,990,673	4,143,553	5,661,708
Total receipts ⁴	21,396,525	6,065,616	6,624,404	4,669,647	4,770,401	5,081,661	7,091,096
Business receipts.....	19,905,573	5,747,732	6,270,563	4,438,754	4,596,153	4,848,242	6,805,226
Interest paid.....	699,251	152,589	152,709	98,590	94,293	134,950	139,127
Net income (less deficit) ⁴	294,929	83,448	35,239	67,181	-12,854	26,451	434,825
Total income tax ⁵	105,903	34,295	44,987	41,458	36,310	21,679	162,775
Income tax after credits ⁵	99,999	32,531	40,602	37,546	35,362	20,202	118,917
Net worth.....	6,591,684	1,155,084	1,708,568	1,368,063	1,060,081	1,389,180	2,839,735
MINING							
Number of returns.....	3,153	689	435	171	105	88	96
Total assets.....	6,452,359	4,728,826	6,623,843	6,266,509	7,613,462	14,756,184	166,266,780
Total receipts ⁴	6,397,666	3,477,280	5,427,028	3,932,873	3,976,678	9,969,419	70,288,206
Business receipts.....	5,849,418	2,971,919	4,885,509	3,607,164	3,391,460	9,122,095	63,941,764
Interest paid.....	193,985	101,572	185,002	120,622	192,046	375,481	3,803,058
Net income (less deficit) ⁴	121,784	23,722	107,851	-2,613	60,861	35,732	2,554,630
Total income tax ⁵	27,975	26,120	46,135	54,596	59,086	118,866	1,289,341
Income tax after credits ⁵	27,401	22,486	41,983	51,256	50,651	76,379	665,291
Net worth.....	2,109,986	2,252,185	2,761,925	2,607,310	3,658,162	6,964,133	88,429,744
CONSTRUCTION							
Number of returns.....	28,322	3,166	1,375	323	156	66	36
Total assets.....	57,652,504	21,366,523	20,693,363	11,505,857	10,226,545	11,896,411	46,665,004
Total receipts ⁴	130,630,652	44,642,006	41,103,243	20,311,029	17,878,179	19,338,578	43,356,909
Business receipts.....	128,687,965	43,915,697	40,296,531	19,742,849	17,388,261	18,621,842	39,813,726
Interest paid.....	1,066,331	325,782	322,726	203,581	155,239	326,274	1,490,789
Net income (less deficit) ⁴	1,259,664	827,143	621,113	219,482	235,130	32,370	747,610
Total income tax ⁵	388,129	159,637	141,732	88,455	76,233	85,145	299,696
Income tax after credits ⁵	348,381	152,074	133,672	82,430	72,841	68,970	215,377
Net worth.....	17,879,973	7,356,045	6,768,800	3,612,319	3,237,456	2,672,740	14,765,312
MANUFACTURING							
Number of returns.....	41,807	7,952	5,731	2,345	1,329	972	1,133
Total assets.....	92,858,215	55,641,343	89,031,318	82,103,736	94,303,237	154,860,152	3,498,327,321
Total receipts ⁴	208,173,736	111,092,350	161,860,243	128,809,346	133,921,908	197,957,341	2,674,490,724
Business receipts.....	205,323,081	109,335,541	159,054,800	126,158,785	130,431,461	191,444,380	2,450,239,886
Interest paid.....	2,628,721	1,432,432	2,237,795	2,169,478	2,775,044	4,708,447	110,233,687
Net income (less deficit) ⁴	3,907,154	3,113,045	5,546,844	4,300,864	4,148,794	8,198,876	114,316,565
Total income tax ⁵	883,869	690,959	1,251,795	1,274,349	1,698,769	2,984,175	44,191,423
Income tax after credits ⁵	831,316	650,547	1,093,517	1,081,818	1,268,659	2,143,507	25,413,367
Net worth.....	34,102,874	21,828,003	37,306,097	34,940,337	38,507,506	62,724,143	1,171,935,550

Footnotes at end of table.

Corporation Income Tax Returns, 1992

Table 1.--Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division and Asset Size ¹--Continued

[All figures are estimates based on samples--money amounts are in thousands of dollars and size of total assets is in whole dollars.]

Item, industrial division	Size of total assets						
	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
TRANSPORTATION AND PUBLIC UTILITIES							
Number of returns.....	12,287	1,832	1,221	444	261	202	375
Total assets.....	26,008,970	12,927,876	18,715,376	16,202,546	18,501,081	31,693,829	1,495,098,624
Total receipts ⁴	51,906,830	21,423,579	24,154,599	19,429,421	17,591,001	25,701,861	753,413,221
Business receipts.....	50,501,145	20,657,425	23,249,459	18,188,733	16,632,048	23,769,421	706,701,127
Interest paid.....	985,840	465,724	694,878	633,739	929,913	1,448,584	49,510,155
Net income (less deficit) ⁴	417,586	356,630	285,662	377,644	219,344	734,618	39,232,261
Total income tax ⁵	262,504	150,619	188,235	182,044	192,239	431,465	16,365,582
Income tax after credits ⁵	242,774	144,220	182,573	175,957	176,280	407,079	15,139,151
Net worth.....	4,970,712	2,896,017	4,201,308	3,675,125	2,674,451	7,305,681	508,636,923
WHOLESALE AND RETAIL TRADE							
Number of returns.....	88,718	11,831	6,033	1,736	783	542	439
Total assets.....	186,511,478	81,765,720	91,283,617	60,064,294	54,393,288	86,555,430	867,679,390
Total receipts ⁴	625,955,506	272,625,709	275,399,070	164,739,293	135,794,352	203,410,540	1,202,176,749
Business receipts.....	617,842,977	268,364,554	269,878,682	161,647,008	133,019,959	198,991,385	1,151,187,660
Interest paid.....	5,138,204	2,146,616	2,452,806	1,607,530	1,547,307	2,567,626	30,105,125
Net income (less deficit) ⁴	5,557,078	2,953,667	5,246,261	1,950,426	1,715,959	2,717,538	19,277,085
Total income tax ⁵	1,135,929	529,948	799,305	635,639	635,775	1,108,415	9,075,520
Income tax after credits ⁵	1,117,081	512,810	776,432	585,292	599,534	1,051,940	7,610,514
Net worth.....	58,086,994	22,812,615	25,602,172	18,136,650	16,195,781	28,305,745	196,764,639
FINANCE, INSURANCE, AND REAL ESTATE							
Number of returns.....	51,944	7,933	6,986	5,185	4,566	4,008	3,926
Total assets.....	107,730,486	55,278,060	113,815,107	186,219,667	324,081,748	628,761,178	9,979,439,624
Total receipts ⁴	38,400,854	17,878,116	26,764,712	29,574,800	43,094,330	85,704,495	1,524,730,720
Business receipts.....	31,431,675	13,429,457	18,166,808	15,616,602	18,853,969	40,073,781	776,258,424
Interest paid.....	2,872,596	1,393,180	3,208,729	5,186,531	9,002,150	15,938,363	251,313,411
Net income (less deficit) ⁴	795,902	-336,392	-541,624	1,149,074	4,123,408	8,602,910	131,258,003
Total income tax ⁵	399,398	264,355	469,494	738,117	1,339,714	2,143,961	28,572,828
Income tax after credits ⁵	387,602	254,064	460,289	711,041	1,281,996	2,067,659	24,268,551
Net worth.....	24,362,571	14,427,947	29,246,845	50,512,247	89,133,773	219,212,127	2,512,377,381
SERVICES							
Number of returns.....	33,937	4,109	2,408	838	463	322	250
Total assets.....	69,193,597	28,548,998	37,050,667	30,285,499	33,073,644	50,758,064	320,754,946
Total receipts ⁴	126,731,376	38,597,426	49,240,214	37,628,657	32,425,341	48,623,776	208,940,843
Business receipts.....	121,172,376	36,556,835	46,549,028	35,004,818	29,558,568	44,123,078	185,900,298
Interest paid.....	2,486,368	987,221	1,251,875	1,059,198	1,081,521	1,796,442	10,808,292
Net income (less deficit) ⁴	2,126,110	737,086	499,952	107,705	601,651	1,087,123	7,748,205
Total income tax ⁵	498,198	242,818	354,356	307,028	318,563	543,274	3,049,146
Income tax after credits ⁵	476,862	230,747	318,365	288,182	283,298	479,247	2,479,266
Net worth.....	14,244,649	6,363,038	8,826,624	7,934,865	10,424,574	11,058,707	119,276,691

¹ Excludes Foreign Sales Corporations (Form 1120-FSC) and Interest Charge Domestic International Sales Corporations (Form 1120-IC-DISC).

² Zero assets class includes returns of liquidating corporations which had disposed of all assets, final returns of merging companies whose assets were included in the returns of the acquiring corporations, part-year returns (except those of newly incorporated businesses), returns of foreign corporations with income "effectively connected" with a U.S. trade or business (except foreign insurance businesses providing separate data for U.S. branches, assets for which are included in the appropriate class).

³ Includes "Nature of business not allocable" which is not shown separately.

⁴ Excludes net long-term capital gain reduced by net short-term capital loss of regulated investment companies and S corporations (qualifying corporations electing to be taxed through shareholders).

⁵ For purposes of the statistics, includes not only regular tax, but alternative minimum tax, tax from recapture of investment and low-income housing credits and certain other taxes.

By law, only regular tax could be reduced by tax credits.

NOTE: Detail may not add to totals because of rounding.

Corporation Income Tax Returns, 1992

Table 2.--Selected Balance Sheet, Income Statement, and Tax Items, by Asset Size ¹

[All figures are estimates based on samples--money amounts are in thousands of dollars and size of total assets is in whole dollars.]

Item	Total	Size of total assets				
		Zero assets ²	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns	3,869,023	245,100	1,986,072	628,341	384,301	260,281
Total assets	20,002,093,972	--	61,308,230	101,333,879	136,392,501	183,335,866
Cash.....	806,358,400	--	13,744,838	17,191,878	19,512,442	22,821,136
Notes and accounts receivable.....	4,168,985,629	--	6,560,187	15,255,182	23,167,334	33,813,174
Less: Allowance for bad debts.....	118,702,488	--	73,307	280,147	238,626	412,705
Inventories.....	915,412,953	--	7,362,360	15,565,140	21,627,932	30,553,032
Investment in U.S. Government obligations.....	1,248,403,852	--	49,151	185,285	431,230	467,727
Tax-exempt securities.....	615,621,779	--	27,872	134,514	119,021	423,063
Other current assets.....	1,283,851,498	--	2,396,130	3,860,337	6,382,013	9,089,627
Loans to stockholders.....	87,204,098	--	4,487,918	5,354,457	4,798,012	4,323,201
Mortgage and real estate loans.....	1,566,888,344	--	430,897	1,148,942	1,927,392	1,838,050
Other investments.....	4,970,564,447	--	1,665,256	4,826,966	7,066,603	11,393,405
Depreciable assets.....	4,755,145,257	--	65,666,071	73,980,427	92,355,415	110,849,328
Less: Accumulated depreciation.....	2,131,890,499	--	46,828,085	46,774,443	56,878,365	64,117,705
Depletable assets.....	130,636,678	--	492,760	266,789	409,098	777,806
Less: Accumulated depletion.....	60,154,855	--	294,036	90,772	94,520	327,975
Land.....	221,387,129	--	1,759,649	4,600,406	8,689,769	13,799,524
Intangible assets.....	528,635,628	--	2,572,842	3,843,826	4,136,632	4,417,011
Less: Accumulated amortization.....	124,473,187	--	1,441,463	1,981,810	1,872,704	1,875,125
Other assets.....	1,138,219,310	--	2,729,189	4,246,902	4,853,824	5,503,290
Total liabilities	20,002,093,972	--	61,308,230	101,333,879	136,392,501	183,335,866
Accounts payable.....	1,604,993,260	--	9,108,000	14,732,737	18,345,132	25,541,501
Mortgages, notes, and bonds payable in less than 1 year.....	1,559,836,081	--	7,360,709	9,113,009	15,030,932	20,258,363
Other current liabilities.....	5,215,873,641	--	8,083,056	7,924,502	10,244,825	13,651,350
Loans from stockholders.....	305,658,885	--	28,973,649	20,409,220	19,627,675	20,689,818
Mortgages, notes, and bonds payable in 1 year or more.....	2,742,496,304	--	14,208,435	22,617,818	30,349,792	39,976,957
Other liabilities.....	2,872,881,055	--	11,445,761	4,368,711	4,033,039	6,308,664
Net worth.....	5,700,354,747	--	-17,871,381	22,167,882	38,761,106	56,909,213
Capital stock.....	1,881,147,182	--	16,657,522	14,836,013	13,408,316	16,646,770
Paid-in or capital surplus.....	3,655,821,974	--	16,239,572	14,242,058	17,081,409	18,892,368
Retained earnings, appropriated.....	79,869,218	--	258,330	276,403	658,950	753,327
Retained earnings, unappropriated.....	1,233,502,279	--	-26,845,793	588,995	11,672,707	21,141,187
Other retained earnings (1120S).....	118,063,424	--	-21,069,289	-3,734,890	211,062	4,881,642
Less: Cost of treasury stock.....	1,268,049,328	--	3,111,723	4,040,696	4,271,338	5,406,081
Total receipts	11,742,134,729	144,994,388	363,567,430	311,445,940	332,737,946	394,206,237
Business receipts.....	10,360,428,794	89,936,619	355,749,150	305,394,140	324,672,783	384,187,005
Interest.....	790,946,417	44,617,390	775,882	668,886	941,754	1,231,036
Interest on State and local Government obligations.....	38,331,700	250,809	19,986	15,636	22,425	46,760
Rents.....	98,901,418	513,602	414,810	626,874	1,001,180	1,345,647
Royalties.....	41,426,926	76,162	154,885	50,401	42,689	104,607
Net short-term capital gain less net long-term capital loss.....	14,586,137	177,726	53,452	42,269	47,438	82,266
Net long-term capital gain less net short-term capital loss.....	45,124,296	920,876	349,176	425,907	533,880	749,574
Net gain, noncapital assets.....	32,313,236	1,567,817	730,875	487,705	703,316	726,851
Dividends, domestic corporations.....	13,109,858	85,109	7,219	49,694	79,636	92,561
Dividends, foreign corporations.....	28,883,052	38,453	*24	*1,022	10,447	*1,365
Other receipts.....	278,082,895	6,809,827	5,311,970	3,683,405	4,682,398	5,638,563

Footnotes at end of table.

Corporation Income Tax Returns, 1992

Table 2.--Selected Balance Sheet, Income Statement, and Tax Items, by Asset Size ¹--Continued

[All figures are estimates based on samples--money amounts are in thousands of dollars and size of total assets is in whole dollars.]

Item	Total	Size of total assets				
		Zero assets ²	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000
	(1)	(2)	(3)	(4)	(5)	(6)
Total deductions	11,329,910,609	145,026,533	361,538,425	308,675,946	329,342,717	390,338,107
Cost of sales and operations.....	6,771,767,395	58,900,841	152,369,345	165,471,465	188,602,591	240,226,025
Compensation of officers.....	221,064,264	2,518,149	36,624,034	23,380,523	21,120,878	20,322,512
Repairs.....	93,926,324	595,244	3,196,830	2,826,264	2,886,194	3,173,951
Bad debts.....	89,579,547	4,132,654	947,792	956,287	917,483	1,727,707
Rent on business property.....	196,187,884	2,785,068	16,873,729	11,092,825	9,494,592	9,595,301
Taxes paid.....	273,955,753	2,779,661	11,711,421	9,451,263	9,546,610	10,754,240
Interest paid.....	597,033,444	36,800,116	2,956,630	3,118,329	3,894,659	5,099,709
Contributions or gifts.....	5,521,019	35,373	50,231	46,100	65,242	95,920
Amortization.....	36,582,360	419,335	348,636	533,108	545,449	678,907
Depreciation.....	346,214,939	2,197,057	5,748,699	6,081,473	6,770,092	7,976,755
Depletion.....	9,023,229	31,707	27,501	16,374	15,896	34,207
Advertising.....	134,332,126	1,116,187	4,318,582	2,851,195	3,169,447	3,781,832
Pension, profit sharing, stock bonus, and annuity plans.....	56,177,312	241,352	1,443,254	1,207,842	1,200,509	1,528,454
Employee benefit programs.....	142,114,225	939,776	2,881,769	2,133,063	2,737,320	3,380,421
Net loss, noncapital assets.....	18,678,786	1,389,297	561,501	170,776	252,720	284,355
Other deductions.....	2,337,752,003	30,144,713	121,478,472	79,339,061	78,123,036	81,677,812
Total receipts less total deductions	412,224,119	-32,145	2,029,004	2,769,993	3,395,229	3,868,129
Constructive taxable income from related foreign corporations.....	28,104,602	18,464	--	--	*16,314	*2
Net income (less deficit)	401,997,022	-264,490	2,009,018	2,754,358	3,389,118	3,821,372
Net income, total.....	570,431,380	8,511,196	15,271,374	10,598,781	11,004,722	11,835,651
Deficit, total.....	168,434,358	8,775,686	13,262,357	7,844,423	7,615,604	8,014,279
Net income (less deficit), Form 1120-A.....	11,472	-31,105	-12,952	-21,881	77,410	--
Net income (less deficit), Form 1120-F.....	324,021	324,021	--	--	--	--
Net income (less deficit), Form 1120-S ³	46,196,308	-965,628	4,773,525	2,570,773	2,913,436	2,499,755
Statutory special deductions, total ⁴	117,627,408	2,851,376	1,883,721	1,320,352	1,274,476	1,358,172
Net operating loss deduction.....	38,894,962	2,279,207	1,877,789	1,284,226	1,213,450	1,284,443
Dividends received deduction.....	13,448,638	71,804	4,542	34,552	56,159	63,767
Public utility dividends paid deduction.....	49,908	--	--	--	--	--
Income subject to tax ⁵	377,899,601	3,942,510	2,139,631	3,102,563	3,589,208	4,681,250
Income tax before credit, total ⁶	131,284,690	1,427,799	365,543	544,512	675,042	1,052,918
Regular tax.....	125,770,915	1,296,296	363,404	541,147	668,726	1,030,251
Personal Holding Company tax.....	20,494	*74	*651	*292	*924	*1,875
Recapture of investment credit.....	25,103	**	*34	--	--	--
Alternative minimum tax.....	4,856,262	47,211	1,143	2,679	4,896	19,745
Environmental tax.....	496,610	5,275	*126	*14	*35	*23
Foreign tax credit.....	21,520,683	11,263	*791	*270	7,079	*209
U.S. possessions tax credit.....	3,748,561	9,074	316	498	356	1,297
Orphan drug credit.....	17,826	--	--	--	--	--
Nonconventional source fuel credit.....	233,331	*496	*87	*153	*675	*718
General business credit.....	1,918,100	7,152	6,106	8,499	14,289	21,484
Prior-year minimum tax credit.....	2,313,811	20,091	*833	*688	2,325	4,773
Total income tax after credits ⁶	101,532,379	1,379,724	357,410	534,403	650,318	1,024,438

Footnotes at end of table.

Corporation Income Tax Returns, 1992

Table 2.—Selected Balance Sheet, Income Statement, and Tax Items, by Asset Size ¹—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars and size of total assets is in whole dollars.]

Item	Size of total assets						
	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Number of returns.....	270,840	38,176	24,544	11,153	7,720	6,227	6,269
Total assets.....	566,301,331	264,805,890	382,562,892	396,551,507	546,183,678	983,424,801	16,379,893,397
Cash.....	53,098,918	22,672,663	28,266,189	25,830,212	31,401,432	46,075,823	525,742,868
Notes and accounts receivable.....	120,696,999	57,389,352	88,598,262	101,300,540	141,514,131	219,991,783	3,360,698,684
Less: Allowance for bad debts.....	1,938,130	1,438,850	2,286,653	2,744,995	3,869,862	6,778,122	98,641,090
Inventories.....	116,743,186	51,535,653	59,256,542	41,557,966	39,359,999	56,013,557	475,837,585
Investment in U.S. Government obligations.....	3,268,511	3,072,613	13,407,368	29,005,615	51,684,552	86,980,217	1,059,851,583
Tax-exempt securities.....	1,644,259	1,480,052	4,260,771	10,150,677	21,752,528	45,830,437	529,798,586
Other current assets.....	28,287,156	15,782,057	21,278,011	20,756,017	26,625,003	48,248,763	1,101,146,382
Loans to stockholders.....	8,089,077	2,686,273	2,311,747	1,850,432	1,767,113	3,114,232	48,421,635
Mortgage and real estate loans.....	5,775,372	2,733,454	6,906,459	14,563,466	36,281,898	79,716,792	1,415,565,623
Other investments.....	37,802,358	23,264,736	42,491,892	55,710,686	86,589,851	211,948,481	4,487,804,213
Depreciable assets.....	295,503,387	125,622,686	161,025,494	122,645,853	128,002,206	203,065,479	3,376,428,912
Less: Accumulated depreciation.....	159,604,799	64,013,676	77,666,215	55,954,799	55,718,446	86,420,644	1,417,913,323
Depletable assets.....	2,053,290	1,344,337	3,234,051	2,559,362	4,209,999	7,198,407	108,090,778
Less: Accumulated depletion.....	980,101	571,516	1,735,539	955,026	1,803,925	2,812,639	50,488,807
Land.....	34,255,322	12,710,144	14,901,631	10,214,440	10,106,414	13,644,213	96,705,618
Intangible assets.....	12,987,535	7,268,974	11,302,648	12,890,634	17,232,017	35,101,949	416,881,561
Less: Accumulated amortization.....	5,733,478	3,419,610	3,995,988	4,172,319	5,044,175	8,389,474	86,547,041
Other assets.....	14,352,470	6,686,549	11,006,222	11,342,744	16,092,944	30,895,546	1,030,509,631
Total liabilities	566,301,331	264,805,890	382,562,892	396,551,507	546,183,678	983,424,801	16,379,893,397
Accounts payable.....	85,457,386	38,338,846	56,025,235	59,835,047	86,127,109	124,551,638	1,086,930,627
Mortgages, notes, and bonds payable in less than 1 year.....	84,254,751	43,233,344	51,326,847	34,821,016	37,543,930	57,692,746	1,199,200,432
Other current liabilities.....	48,181,464	26,094,224	51,768,667	89,039,371	151,359,630	273,692,945	4,535,833,607
Loans from stockholders.....	44,438,840	13,125,253	12,281,594	6,828,296	6,982,696	8,885,247	123,416,597
Mortgages, notes, and bonds payable in 1 year or more.....	118,216,215	53,480,008	73,178,680	61,161,798	71,034,833	123,853,444	2,134,418,323
Other liabilities.....	23,356,127	11,462,431	21,399,403	22,079,064	28,243,694	55,116,325	2,685,067,837
Net worth.....	162,396,548	79,071,783	116,582,465	122,786,915	164,891,785	339,632,457	4,615,025,974
Capital stock.....	40,335,325	18,456,336	25,713,459	25,754,040	33,218,003	72,764,396	1,603,357,003
Paid-in or capital surplus.....	64,107,500	37,270,252	59,279,255	73,393,077	107,507,770	227,311,016	3,020,497,699
Retained earnings, appropriated.....	1,315,774	454,809	1,093,343	745,699	1,732,552	3,243,914	69,336,117
Retained earnings, unappropriated.....	34,728,377	3,868,098	4,897,047	8,966,320	15,254,196	40,628,461	1,118,602,684
Other retained earnings (1120S).....	34,651,740	23,626,151	30,930,165	18,066,798	13,568,396	11,337,256	5,594,394
Less: Cost of treasury stock.....	12,742,167	4,603,863	5,330,803	4,139,019	6,389,131	15,652,586	1,202,361,922
Total receipts.....	1,209,909,710	515,844,822	590,604,860	409,095,068	389,452,190	595,787,671	6,484,488,468
Business receipts.....	1,180,997,564	501,008,762	568,363,842	384,404,714	353,871,879	530,994,225	5,380,848,112
Interest.....	3,828,545	1,864,816	5,542,973	10,699,453	19,452,363	36,857,735	664,465,584
Interest on State and local Government obligations.....	202,864	197,021	389,907	673,201	1,367,905	3,048,890	32,096,297
Rents.....	3,263,152	1,614,843	2,369,623	1,865,033	1,968,379	4,308,888	79,609,387
Royalties.....	265,257	220,279	501,016	369,594	740,141	1,151,135	37,750,761
Net short-term capital gain less net long-term capital loss.....	179,382	-58,331	152,185	254,309	384,818	1,091,852	12,062,109
Net long-term capital gain less net short-term capital loss.....	1,624,320	830,915	2,460,917	821,710	1,255,761	2,275,843	32,875,416
Net gain, noncapital assets.....	2,056,766	849,337	1,121,719	751,722	926,528	1,760,618	20,629,981
Dividends, domestic corporations.....	372,722	159,317	287,737	248,075	314,855	531,658	10,881,274
Dividends, foreign corporations.....	64,936	40,034	149,613	179,570	309,035	787,369	27,301,184
Other receipts.....	17,054,201	9,001,166	9,265,330	8,827,687	8,860,526	12,979,458	185,968,363

Footnotes at end of table.

Corporation Income Tax Returns, 1992

Table 2.—Selected Balance Sheet, Income Statement, and Tax Items, by Asset Size ¹—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars and size of total assets is in whole dollars.]

Item	Size of total assets						
	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Total deductions.....	1,195,278,204	507,901,868	578,462,753	400,347,937	377,237,916	571,800,978	6,163,959,223
Cost of sales and operations.....	831,858,161	369,170,392	413,790,076	270,961,225	247,263,168	365,538,554	3,467,615,552
Compensation of officers.....	40,477,563	12,323,606	11,351,228	6,667,913	5,375,138	6,394,971	34,507,750
Repairs.....	6,913,129	2,305,183	2,555,149	1,865,758	1,770,954	3,116,794	62,720,874
Bad debts.....	3,953,653	1,881,154	2,256,705	1,996,178	2,460,959	3,668,486	64,680,487
Rent on business property.....	19,054,710	6,224,816	7,163,648	5,813,622	5,504,290	8,539,037	94,046,247
Taxes paid.....	26,335,249	9,806,197	11,249,142	8,088,214	7,467,985	11,802,100	154,963,671
Interest paid.....	16,086,762	7,011,854	10,508,793	11,079,269	15,777,513	27,296,167	457,403,643
Contributions or gifts.....	214,024	91,436	141,635	131,576	160,092	338,410	4,150,981
Amortization.....	1,657,293	1,026,847	1,463,149	1,558,915	1,897,177	2,943,781	23,509,762
Depreciation.....	20,802,525	8,724,380	11,638,840	9,232,015	9,577,962	14,821,175	242,643,967
Depletion.....	237,310	117,168	256,924	207,207	234,157	620,343	7,224,435
Advertising.....	9,539,229	4,165,894	5,362,997	4,283,693	4,143,352	7,608,673	83,991,045
Pension, profit sharing, stock bonus, and annuity plans.....	3,958,137	1,644,535	1,793,684	1,391,017	1,314,341	2,260,173	38,194,014
Employee benefit programs.....	10,019,638	4,630,186	5,945,439	4,739,861	4,675,750	8,445,323	91,585,679
Net loss, noncapital assets.....	968,410	508,184	854,877	910,611	987,036	1,331,226	10,459,793
Other deductions.....	203,202,410	78,270,037	92,130,468	71,420,864	68,628,042	107,075,766	1,326,261,323
Total receipts less total deductions.....	14,631,506	7,942,954	12,142,106	8,747,131	12,214,275	23,986,693	320,529,244
Constructive taxable income from related foreign corporations.....	24,829	11,431	57,755	95,831	245,924	497,816	27,136,237
Net income (less deficit).....	14,453,470	7,757,364	11,809,955	8,169,761	11,092,294	21,435,618	315,569,184
Net income, total.....	34,413,065	15,737,406	22,329,861	17,084,488	19,589,461	32,017,568	372,037,806
Deficit, total.....	19,959,595	7,980,041	10,519,907	8,914,728	8,497,167	10,581,950	56,468,622
Net income (less deficit), Form 1120-A.....	--	--	--	--	--	--	--
Net income (less deficit), Form 1120-F.....	--	--	--	--	--	--	--
Net income (less deficit), Form 1120-S ³	11,093,332	5,860,871	7,235,247	4,047,785	2,774,005	2,575,637	817,570
Statutory special deductions, total ⁴.....	3,533,992	1,660,717	3,857,294	2,650,933	3,907,845	8,340,412	84,988,118
Net operating loss deduction.....	3,107,478	1,392,216	3,173,860	1,562,930	1,936,509	2,485,200	17,297,655
Dividends received deduction.....	288,785	123,399	260,022	242,745	319,942	589,768	11,393,153
Public utility dividends paid deduction.....	--	*2,713	*36	**	23	60	47,076
Income subject to tax ⁵.....	12,180,123	6,048,333	9,311,660	9,431,343	12,323,125	21,027,646	290,122,210
Income tax before credit, total ⁶.....	3,702,027	2,098,826	3,296,358	3,321,685	4,356,690	7,436,981	103,006,310
Regular tax.....	3,554,638	2,015,565	3,140,306	3,193,961	4,182,665	7,149,579	98,634,377
Personal Holding Company tax.....	4,246	1,815	3,406	652	1,599	4,884	76
Recapture of investment credit.....	*251	*9	*464	*590	388	1,741	21,625
Alternative minimum tax.....	136,793	75,127	142,321	124,500	158,136	252,080	3,891,633
Environmental tax.....	330	832	5,157	6,622	11,084	22,987	444,125
Foreign tax credit.....	15,667	11,799	41,625	80,735	128,773	366,064	20,856,409
U.S. possessions tax credit.....	15,916	20,750	104,246	130,905	322,182	514,277	2,628,745
Orphan drug credit.....	--	--	--	--	--	--	17,826
Nonconventional source fuel credit.....	*170	*1,572	1,588	448	3,257	1,134	223,034
General business credit.....	72,413	35,080	49,173	52,371	76,173	123,890	1,451,470
Prior-year minimum tax credit.....	66,322	30,072	52,293	43,705	57,685	116,634	1,918,389
Total income tax after credits ⁶.....	3,531,539	1,999,553	3,047,433	3,013,522	3,768,620	6,314,982	75,910,437

¹ Excludes Foreign Sales Corporations (Form 1120-FSC) and Interest-Charge Domestic International Sales Corporations (Form 1120-IC-DISC).

² Zero assets class includes returns of liquidating or dissolving corporations which had disposed of all assets, final returns of merging companies whose assets were included in the returns of the acquiring corporations, part-year returns (except those of newly incorporated businesses), returns of foreign corporations with income "effectively connected" with a U.S. trade or business (except foreign insurance providing separate data for U.S. branches, assets for which are included in the appropriate size class).

³ Net income of S corporations was taxed (with few exceptions) through their shareholders. Therefore, the net income of these corporations was excluded from income subject to tax.

⁴ Also includes deductions for dividends paid allowed regulated investment companies and real estate investments. These deductions are not shown separately.

⁵ See Footnote 3.

⁶ For purpose of the statistics, all of the taxes shown below plus certain others not shown, are included in both income tax before and after credits. By law tax credits could only offset regular tax.

* Estimate should be used with caution because of the small number of sample returns on which it was based.

** Amount is less than \$500.

NOTE: Detail may not add to totals due to rounding.