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Inside this Issue

Sole Proprietorship Returns, 2008

by Adrian Dungan

For Tax Year 2008, about 22.6 million individual income tax returns reported nonfarm sole proprietorship activity, a 2.2-percent decrease since Tax Year 2007. Between Tax Years 2007 and 2008, reported profits for those sole proprietorships shrank by 5.7 percent to \$264.5 billion. In constant dollars, reported profits decreased for the third consecutive year, by 7.7 percent, after decreasing 1.8 percent between 2006 and 2007 and 0.4 percent between 2005 and 2006. This was the first time that profits (in constant dollars) have decreased for 3 consecutive years since before 1988.

Professional, scientific, and technical services had the largest profits of any sector, at \$74.3 billion, representing 28.1 percent of total sole proprietorship profits. The largest sole proprietorship industrial sector, based on business receipts, was construction, which accounted for 15.7 percent of receipts and reported a 10.5-percent decrease between Tax Years 2007 and 2008. The finance and insurance sector showed the largest percentage increase in both receipts and deductions, reporting a 19.5-percent increase in receipts and a 27.8-percent increase in deductions. The real estate and rental and leasing sector, which reported the largest decline in profits between 2006 and 2007, at 17.7 percent, reported a 36.1-percent decline in profits between 2007 and 2008.

Foreign-Controlled Domestic Corporations, 2007

by James R. Hobbs

Foreign-controlled domestic corporations (FCDCs) filed 64,026 U.S. income tax returns for Tax Year 2007, accounting for only 1.1 percent of all U.S. corporation income tax returns filed for the year. However, FCDCs accounted for 14.7 percent of receipts and 13.7 percent of assets reported on all corporate returns filed for 2007.

FCDCs reported \$4.2 trillion in total receipts for 2007, a 9.8-percent increase since 2006. Manufacturers produced \$1.9 trillion in receipts, wholesalers accounted for \$0.9 trillion in receipts, and finance and insurance companies tallied \$0.6 trillion.

Domestic corporations controlled by persons in the United Kingdom reported total receipts of \$1.0 trillion, 22.9 percent of the FCDC total. Domestic corporations with owners resident in Japan (15.1 percent of the total), Germany (11.5 percent), Canada (8.6 percent), the Netherlands (7.2 percent), France (6.7 percent), and Switzerland (6.6 percent) also accounted for significant amounts of receipts.

All FCDCs reported a combined net income (less deficit) of \$152.3 billion for 2007. Almost half (30,929 or 48.3 percent) of FCDCs reported profits (i.e., net income) totaling \$226.4 billion, and those companies reported \$183.8 billion in taxable income. FCDCs reported \$52.8 billion in U.S. tax liability for 2007.

Corporate Foreign Tax Credit, 2006

by Nuria E. McGrath

For Tax Year 2006, U.S. corporations reported more than \$78 billion in foreign tax credits on about \$847 billion in worldwide taxable income. The manufacturing industry accounted for the largest percentage of foreign-source taxable income. Together, income earned in the United Kingdom, Canada, Norway, and Japan accounted for almost 34 percent of foreign-source taxable income reported for 2006.

Statistics of Income Studies of International Income and Taxes

by Melissa Costa and Nuria E. McGrath

Based on data from the Statistics of Income Division's studies of international income and taxes, this article presents trends toward increased foreign activity of U.S. persons, as well as increased U.S. activity of foreign persons. Real foreign-source taxable income for corporations with a foreign tax credit, for example, rose 43 percent between Tax Years 2002 and 2004. Likewise, real total receipts of controlled foreign corporations grew 19 percent between Tax Years 2004 and 2006, while total receipts for U.S. corporations increased by only 11.5 percent. The portion of total receipts from all U.S. corporations earned by those controlled by foreign persons grew from 2 percent for Tax Year 1971 to nearly 14 percent for Tax Year 2006. Individual foreign-source

income and foreign earned income have also risen faster than individual worldwide income in recent years, while the real amount of payments distributed to foreign persons continues to rise.

In the Next Issue

The following articles or data releases are tentatively planned for inclusion in the fall 2010 issue of the *Statistics of Income Bulletin*, scheduled to be published in November 2010:

- Individual income tax returns, Tax Year 2008;
- Partnership returns, Tax Year 2008;
- Charities and other tax exempt organizations, Tax Year 2007;
- Private foundations and charitable trusts, Tax Year 2007; and
- Tax-exempt governmental and private activity bonds, Calendar Year 2007.

Revisions to Prior Issues

Charities, Labor and Agricultural, and other Tax-Exempt Organizations, 2005—Fall 2008 Issue Charities, Business Leagues, and Other Tax-Exempt Organizations, 2006—Fall 2009 Issue

On page 274 of the fall 2008 issue, and on page 254 of the fall 2009 issue

Figure E (“Selected Items for Nonprofit Charitable Organizations, Classified by NTEE Category”) from the articles “Charities, Labor and Agricultural, and Other Tax-Exempt Organizations, 2005,” in the fall 2008 issue of the *SOI Bulletin*, and “Charities, Business Leagues, and Other Tax-Exempt Organizations, 2006,” in the fall 2009 issue of the *SOI Bulletin*, presented incorrect data for three categories (Mutual, membership benefit; Public, societal benefit; and Religion related). Corrected data for Tax Years 2005 and 2006 are presented below; data for Tax Years 2004 and 2007 are also presented.

Selected Items for Nonprofit Charitable Organizations Classified by NTEE Category, Tax Years 2004–2007

[All figures are estimates based on samples—money amounts are in millions of current dollars]

NTEE major category [1]	Number of returns	Total assets	Net assets	Revenue			Total expenses	Excess of revenue over expenses
				Total	Contributions, gifts, and grants	Program service revenue		
Tax Year 2004								
Total	276,199	2,058,610	1,276,100	1,152,989	248,569	801,199	1,058,489	94,500
Arts, culture, and humanities	28,615	81,094	65,973	25,515	14,151	6,313	22,148	3,367
Education	48,920	677,087	486,746	220,139	64,470	116,619	185,093	35,046
Environment, animals	11,576	30,473	25,128	11,134	6,796	2,458	9,450	1,684
Health	36,372	801,770	424,567	655,063	46,561	575,542	619,048	36,015
Human services	104,837	236,302	114,700	157,653	62,853	81,785	151,549	6,104
International, foreign affairs	3,486	15,131	10,987	17,077	15,360	1,142	15,933	1,144
Mutual, membership benefit	674	13,285	9,746	2,850	178	1,748	2,127	723
Public, societal benefit	24,148	184,848	123,267	55,170	32,350	14,307	45,937	9,233
Religion related	17,416	18,619	14,984	8,376	5,840	1,284	7,193	1,183
Unknown/unclassified*	156	2	2	11	11	0	11	[2]
Tax Year 2005								
Total	286,615	2,241,887	1,411,252	1,252,889	276,292	852,638	1,137,908	114,981
Arts, culture, and humanities	28,972	89,167	72,625	29,187	15,860	6,962	23,790	5,397
Education	52,530	744,531	548,623	243,061	69,934	126,802	201,456	41,605
Environment, animals	12,422	33,494	27,510	12,355	7,723	2,667	10,352	2,003
Health	35,669	860,780	463,266	698,535	52,146	607,470	660,350	38,185
Human services	108,283	251,228	123,486	171,451	70,069	86,278	161,401	10,050
International, foreign affairs	4,167	17,587	12,810	19,226	16,700	1,647	17,388	1,838
Mutual, membership benefit	[r] 667	[r] 15,216	[r] 7,272	[r] 2,670	[r] 207	[r] 1,564	[r] 2,249	[r] 421
Public, societal benefit	[r] 25,722	[r] 208,372	[r] 138,191	[r] 67,360	[r] 37,460	[r] 17,818	[r] 53,119	[r] 14,241
Religion related	[r] 18,182	[r] 21,512	[r] 17,470	[r] 9,045	[r] 6,193	[r] 1,430	[r] 7,803	[r] 1,242

Footnotes at end of table.

Revisions to Prior Issues

Charities, Labor and Agricultural, and other Tax-Exempt Organizations, 2005—Fall 2008 Issue—Continued Charities, Business Leagues, and Other Tax-Exempt Organizations, 2006—Fall 2009 Issue—Continued

Selected Items for Nonprofit Charitable Organizations Classified by NTEE Category, Tax Years 2004–2007—Continued

[All figures are estimates based on samples—money amounts are in millions of current dollars]

NTEE major category [1]	Number of returns	Total assets	Net assets	Revenue			Total expenses	Excess of revenue over expenses
				Total	Contributions, gifts, and grants	Program service revenue		
Tax Year 2006								
Total	301,214	2,549,728	1,617,717	1,370,880	303,168	920,222	1,230,416	140,464
Arts, culture, and humanities	30,579	98,971	80,857	32,220	17,466	7,453	26,262	5,958
Education	54,926	856,402	641,767	275,628	81,198	135,094	217,637	57,992
Environment, animals	13,341	37,716	31,430	13,628	8,948	2,607	10,389	3,239
Health	36,199	967,529	522,623	759,415	55,422	659,331	716,413	43,003
Human services	114,350	275,369	138,149	178,563	70,185	91,605	169,532	9,032
International, foreign affairs	5,007	22,064	16,106	20,764	17,995	1,747	19,011	1,753
Mutual, membership benefit	[r] 853	[r] 17,852	[r] 8,532	[r] 2,862	[r] 189	[r] 1,573	[r] 2,312	[r] 550
Public, societal benefit	[r] 27,534	[r] 249,845	[r] 159,038	[r] 77,799	[r] 45,154	[r] 19,285	[r] 60,642	[r] 17,156
Religion related	[r] 18,425	[r] 23,982	[r] 19,214	[r] 10,001	[r] 6,611	[r] 1,527	[r] 8,218	[r] 1,782
Tax Year 2007								
Total	313,121	2,683,444	1,674,389	1,445,932	324,542	980,343	1,317,227	128,705
Arts, culture, and humanities	31,791	102,179	82,111	33,959	18,527	8,307	28,263	5,695
Education	55,415	939,820	663,565	293,080	92,154	149,073	243,925	49,155
Environment, animals	14,389	39,934	33,396	14,778	9,685	2,966	11,437	3,341
Health	36,464	1,015,064	542,612	801,011	60,156	697,444	758,714	42,297
Human services	119,971	290,268	141,648	187,767	71,973	98,784	178,803	8,964
International, foreign affairs	5,086	23,689	17,220	22,565	19,599	1,838	21,597	968
Mutual, membership benefit	662	18,280	8,884	3,293	245	1,972	2,463	830
Public, societal benefit	29,445	228,443	164,595	78,555	44,645	18,395	62,663	15,892
Religion related	19,898	25,766	20,357	10,924	7,558	1,564	9,362	1,562

* Estimate should be used with caution due to the small number of sample returns on which it is based.

[1] The National Taxonomy of Exempt Entities (NTEE) is a classification system that uses 26 major field areas that are aggregated into the categories shown above. It was developed by the National Center for Charitable Statistics.

[2] Less than \$500,000.

[r] Revised

NOTES: Data are from Forms 990 and 990-EZ for nonprofit charitable organizations that are tax-exempt under Internal Revenue Code section 501(c)(3) and exclude private foundations, most organizations with receipts less than \$25,000, as well as most churches, and certain other types of religious organizations. Detail may not add to totals because of rounding.

Sole Proprietorship Returns, 2008

by Adrian Dungan

For Tax Year 2008, there were approximately 22.6 million individual income tax returns that reported nonfarm sole proprietorship activity, a 2.2-percent decrease from 2007. Profits reported on these returns fell to \$264.5 billion in 2008, a 5.7-percent decrease from 2007. In constant dollars, total nonfarm sole proprietorship profits decreased for the third consecutive year, by 7.7 percent, after decreasing 1.8 in 2007 and 0.4 percent in 2006. Among all industrial sectors, the real estate and rental and leasing sector experienced the most significant downturn in both profits and receipts from Tax Year 2007 to 2008. Profits in the real estate and rental and leasing sector, which had decreased by 18.5 percent in 2006 and 17.7 percent in 2007, experienced an even steeper drop of 36.1 percent in 2008.¹ In current dollar terms, these profits fell from \$22.3 billion in 2007 to \$14.3 billion in 2008. However, not all industrial sectors reported declines in profits for 2008. The professional, scientific, and technical services sector, which represented 28.1 percent of total sole proprietorship profits at \$74.3 billion, had the largest profits of any sector, increasing 3.8 percent from 2007. Reporting the second largest profits of any sector was the health care and social assistance sector, with 18.0 percent of total profits, at \$47.5 billion. This sector also had increased profits of 3.2 percent.

For the second year in a row, the real estate and rental and leasing sector reported the largest percentage decrease in receipts, dropping from \$71.0 billion in 2007 to \$58.1 billion in 2008, an 18.2-percent decrease that was more than double its

8.0-percent decrease in 2007. For sole proprietorships as a whole, receipts decreased 0.5 percent, and deductions increased 0.9 percent. Among all industrial sectors, the construction sector reported the largest percentage of total business receipts, with 15.7 percent, while the retail trade sector reported the largest percentage of total business deductions, with 17.9 percent. The construction sector reported a 10.5-percent decrease in receipts and a 9.0-percent decrease in deductions, while the retail trade sector had small decreases in receipts (1.0 percent) and deductions (0.3 percent). Although not among the larger of the industrial sectors, the finance and insurance sector reported the largest percentage increase in both receipts and deductions, with a 19.5-percent increase in business receipts and a 27.8-percent increase in deductions.

Returns and Receipts

The number of individual income tax returns reporting nonfarm sole proprietorship activity for 2008 decreased 2.2 percent to more than 22.6 million (Figure A).² The largest sector in terms of number of returns was the professional, scientific, and technical services sector. This sector decreased by 0.5 percent to just more than 3.2 million returns. The construction sector, which was the second largest sector, had roughly 2.8 million returns, a decrease of 3.7 percent. The only two sectors that experienced increases in the number of returns were administrative, support, waste management, and remediation services (2.3 percent) and arts, entertainment, and recreation (5.0 percent).

Total business receipts (the sum of “income from sales and operations” and “other business income”) for all nonfarm sole proprietorship industries decreased 0.5 percent, from \$1,324.4 billion to \$1,317.4

Adrian Dungan is an economist with the Individual Returns Analysis Section. This article was prepared under the direction of Jeff Hartzok, Chief.

¹ Dungan, Adrian, “Sole Proprietorship Returns, 2007,” *Statistics of Income Bulletin*, Summer 2009, Volume 29, Number 1, pp. 5–66. Profits in the real estate and rental and leasing sector decreased from \$27.2 billion in 2006 to \$22.3 billion in 2007.

² For 2008, the 22,614,483 nonfarm sole proprietorship returns accounted for an estimated 25,208,343 nonfarm businesses. For purposes of the statistics, if a proprietor owned more than one business, the statistics for each business were combined with those of the proprietor’s dominant business and included in the industrial group for that business activity. When this occurred, the sum of net incomes (for businesses reporting a positive net income) reduced by the sum of net deficits (for businesses reporting a deficit) yielded the profits for a specific industrial group.

The North American Industry Classification System (NAICS) was used to classify data by industries for 2008. These classifications were applied on a “per business” (rather than on a “per establishment”) basis for Statistics of Income by combining various industry groups, although businesses were further combined as described above. While the wording of the industry titles used for the sole proprietorship statistics diverge somewhat from those appearing in NAICS, the definitions are consistent.

The North American Industry Classification System for industrial coding was introduced in Tax Year 1998. Due to coding changes, comparisons between data by industries for 1998 to 2008 and 1997 and prior years may show inconsistencies. A reason for this was that several types of sole proprietorships under NAICS were classified in completely different industrial groups, which makes prior-year comparisons inappropriate. For example, in 1997, finance, insurance and real estate were grouped by Standard Industrial Classification (SIC) codes as one industry, while the group has been split into two industrial sectors under NAICS. The industrial sectors based on NAICS codes are reported in Tables 1 and 2.

Figure A

Nonfarm Sole Proprietorship Returns, Receipts, and Deductions, by Selected Industrial Sectors, Tax Years 2007 and 2008

[Number of returns is in thousands—money amounts are in billions of dollars]

Industrial sector	Number of returns			Total business receipts			Total business deductions [1]		
	2007	2008	Percentage increase	2007	2008	Percentage increase	2007	2008	Percentage increase
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All nonfarm industries	23,122.7	22,614.5	-2.2	1,324.4	1,317.4	-0.5	1,044.3	1,053.7	0.9
Construction	2,931.1	2,821.7	-3.7	230.8	206.7	-10.5	195.2	177.6	-9.0
Specialty trade contractors	2,347.4	2,263.3	-3.6	159.7	143.1	-10.4	131.9	119.4	-9.5
Wholesale trade (merchant wholesalers)	340.4	325.5	-4.4	50.4	52.3	3.8	45.6	48.3	5.7
Retail trade	2,436.3	2,275.5	-6.6	198.9	196.8	-1.0	189.5	188.9	-0.3
Transportation and warehousing	1,154.8	1,047.7	-9.3	82.1	81.1	-1.3	71.2	71.8	0.8
Finance and insurance	726.0	693.1	-4.5	94.0	112.3	19.5	73.8	94.3	27.8
Real estate and rental and leasing	1,393.4	1,278.9	-8.2	71.0	58.1	-18.2	48.7	43.9	-9.9
Real estate	1,336.8	1,217.1	-9.0	66.9	52.9	-21.0	44.8	38.7	-13.5
Professional, scientific, and technical services	3,234.5	3,218.9	-0.5	169.3	172.0	1.6	97.8	97.8	0.1
Administrative and support and waste management and remediation services	2,251.0	2,302.8	2.3	60.3	61.4	1.8	43.9	44.5	1.3
Health care and social assistance	2,016.4	1,998.3	-0.9	115.5	118.6	2.7	69.5	71.1	2.4
Child day care services	797.9	788.4	-1.2	12.5	13.2	6.1	7.9	8.3	5.1
Arts, entertainment, and recreation	1,283.3	1,347.8	5.0	31.0	33.1	6.6	23.5	25.1	7.1
Performing arts, spectator sports, and related industries	1,068.0	1,094.0	2.4	23.9	24.6	2.8	16.5	17.1	3.2
Other services	2,416.2	2,360.1	-2.3	84.8	83.0	-2.1	65.6	64.9	-1.1
Personal and laundry services	1,583.3	1,597.9	0.9	43.6	42.9	-1.4	30.8	29.8	-3.3
All other industries	2,939.2	2,944.3	0.2	136.2	141.9	4.2	120.1	125.6	4.6

[1] Total business deductions are calculated before subtraction of nonallowable "passive" activity losses and any "passive loss" carryover from prior years.

NOTES: Detail may not add to totals because of rounding. Percentage increases were calculated before rounding.

billion.³ The construction sector was the largest sector in terms of business receipts and accounted for 15.7 percent of total business receipts in 2008. Its receipts decreased by 10.5 percent, dropping even more steeply than last year's 2.4 percent decline. This comes after the 11.9-percent and 6.5-percent increases in 2005 and 2006, respectively. The retail trade sector, the second largest sector in terms of business receipts, was also down in total receipts, declining 1.0 percent from 2007 levels. The two industries with the largest percentage increases in business receipts were the finance and insurance sector and the arts, entertainment, and recreation sector. They grew by 19.5 percent and 6.6 percent, respectively, providing a combined total increase of \$20.4 billion in business receipts. For all sectors, total business receipts for nonfarm sole proprietor-

ships decreased by \$7.0 billion in 2008. For the nonfarm industries experiencing a decline in business receipts, the total decrease was \$42.0 billion. The construction sector, combined with the real estate, rental, and leasing sector, accounted for \$37.1 billion of the decrease in business receipts, or 88.3 percent of the aggregate decline. For the nonfarm industries experiencing a rise in business receipts, the total increase was \$35.0 billion. The finance and insurance sector alone was responsible for 52.4 percent of this increase. For the last 3 years, the real estate and rental and leasing sector has shown the largest percentage decrease in receipts. For Tax Years 2006 and 2007, receipts decreased 6.9 percent and 8.0 percent, respectively. For Tax Year 2008, the drop in receipts was even more substantial, falling by 18.2 percent. In constant dollar terms, total business re-

³ Statistics for "business receipts, total" in Table 2 represent the total receipts of the business, mainly gross receipts from sales and operations. Business receipts also include miscellaneous business receipts, such as incidental sales of scrap, shown separately in the statistics as "other business income." However, business receipts exclude incidental investment income received through the business. Examples of such incidental investment income are interest, dividends, income or loss from rents or royalties, and capital or ordinary gain or loss from the sale of investment and business property. Sole proprietors report incidental investment income, in combination with nonbusiness related investment income, as part of their total income on their individual income tax returns.

Sole Proprietorship Returns, 2008

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ceipts for 2008 decreased 2.6 percent, after 5 straight years of increases. (Figure B).⁴

Deductions

Total business deductions (“cost of sales and operations” plus business expenses, including expenses for home office), in current dollars, increased 0.9 percent from \$1,044.3 billion for 2007 to \$1,053.7 billion for

2008 (Figure A).^{5,6} In addition to reporting the largest percentage increase in receipts, the finance and insurance sector also reported the largest percentage increase in total business deductions with 27.8 percent. The largest sector in terms of total business deductions, the retail trade sector, reported a 0.3-percent decrease in deductions. The second largest sector, the construction sector, reported a decrease

Figure B

Nonfarm Sole Proprietorship Receipts, Deductions, and Profits, Tax Years 1988–2008

[Money amounts are in billions of dollars]

Tax year	Total business receipts			Total business deductions [1]			Net income less deficit (profits)		
	Current dollars	Constant dollars [2]		Current dollars	Constant dollars [2]		Current dollars	Constant dollars [2]	
		Amount	Percentage increase		Amount	Percentage increase		Amount	Percentage increase
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1988	672.0	887.8	[3]	545.7	720.9	[3]	126.3	166.9	[3]
1989	692.8	881.9	-0.7	560.2	713.1	-1.1	132.7	168.9	1.2
1990	730.6	895.5	1.5	589.2	722.1	1.3	141.4	173.3	2.6
1991	712.6	843.9	-5.8	571.2	676.4	-6.3	141.5	167.6	-3.3
1992	737.1	853.3	1.1	583.1	675.0	-0.2	154.0	178.3	6.4
1993	757.2	856.8	0.4	600.8	679.7	0.7	156.5	177.0	-0.7
1994	790.6	876.0	2.2	623.8	691.2	1.7	166.8	184.8	4.4
1995	807.4	876.6	0.1	638.1	692.8	0.2	169.3	183.8	-0.6
1996	843.2	898.5	2.5	666.5	710.1	2.5	176.8	188.3	2.5
1997	870.4	912.2	1.5	683.9	716.7	0.9	186.6	195.6	3.9
1998	918.3	951.8	4.3	716.2	742.3	3.6	202.3	209.7	7.2
1999	969.3	990.5	4.1	761.4	778.0	4.8	207.9	212.5	1.3
2000	1,021.0	1,021.0	3.1	806.4	806.4	3.6	214.7	214.7	1.1
2001	1,016.8	993.3	-2.7	799.6	781.1	-3.1	217.4	212.3	-1.1
2002	1,029.7	990.6	-0.3	808.9	778.2	-0.4	221.1	212.7	0.2
2003	1,050.2	990.8	[4]	820.2	773.8	-0.6	230.3	217.3	2.1
2004	1,139.5	1,044.5	5.4	892.4	818.0	5.7	247.6	226.9	4.4
2005	1,222.9	1,084.7	3.9	953.4	845.7	3.4	269.9	239.4	5.5
2006	1,278.4	1,096.7	1.1	1,001.1	858.8	1.6	278.0	238.5	-0.4
2007	1,324.4	1,105.4	0.8	1,044.3	871.6	1.5	280.6	234.2	-1.8
2008	1,317.4	1,076.1	-2.6	1,053.7	860.7	-1.3	264.5	216.1	-7.7

[1] Total business deductions are calculated before subtraction of nonallowable “passive” activity losses and any “passive loss” carryover from prior years. However, these losses (after subtraction) and any carryover are reflected in net income or deficit. Therefore, total business receipts minus total business deductions may not always equal net income or deficit.

[2] Constant dollars are based on the overall implicit price deflator for gross domestic product computed and reported by the U.S. Department of Commerce, Bureau of Economic Analysis, in the Survey of Current Business. The deflator represents the annual average of current-weighted prices, based on 2000 = 100.

[3] Not calculated.

[4] Less than 0.05 percent.

NOTE: Percentage increases were calculated before rounding.

⁴ Based on the overall implicit price deflator for Gross Domestic Product (GDP). See U.S. Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business*. Indices used for this article were:

Year	Index	Year	Index	Year	Index	Year	Index
1988	75.7	1994	90.3	2000	100.0	2006	116.6
1989	78.6	1995	92.1	2001	102.4	2007	119.8
1990	81.6	1996	93.9	2002	103.9	2008	122.4
1991	84.4	1997	95.4	2003	106.0		
1992	86.4	1998	96.5	2004	109.1		
1993	88.4	1999	97.9	2005	112.7		

⁵ Sole proprietors report personal, i.e., nonbusiness, income and expense items apart from business income or loss, which is reported on the attached Schedule C, *Profit or Loss From Business* (or, to a lesser extent, on Schedule C-EZ, *Net Profit From Business*). Salaries paid to owners are neither deducted as wages paid on Schedule C nor included as wages received on the Form 1040. Similarly, sole proprietors deduct charitable contributions made through the business as personal expenses on Schedule A, *Itemized Deductions*. However, the owner of a sole proprietorship may choose to deduct any foreign taxes paid as a business expense, unless the owner elects to claim these taxes as a credit against U.S. income tax.

⁶ Business deductions include the home office business deductions. After 1990, home office expenses were calculated separately on Form 8829, *Expenses for Business Use of Your Home*, and the deductible portion brought forward to the Schedule C. In some cases, these expenses were limited. Prior to 1990, these expenses were not limited and were included with other expenses, such as depreciation deductions, utilities, and “other” expenses on Schedule C.

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in deductions of 9.0 percent. The largest decrease in deductions was reported by the real estate and rental and leasing sector, with deductions that dropped by 13.5 percent. When accounting for inflation, total business deductions decreased 1.3 percent in 2008, marking the first decrease in 5 years.

The cost of sales and operations, which represented 41.3 percent of total 2008 business deductions, increased 2.9 percent since 2007, to approximately \$434.9 billion (Figure C). Total business "expenses" (total business deductions minus the cost

of sales and operations) were \$618.8 billion for 2008, a 0.5-percent decrease since 2007. The main components of total business expenses are highlighted in Figure D. The largest component was car and truck expenses, accounting for 13.7 percent of the total. For 2008, car and truck expenses totaled \$85.1 billion, a 3.7-percent increase from 2007. Closely following car and truck expenses, accounting for 12.8 percent of total business expenses, was salaries and wages, which decreased 0.3 percent from 2007 to \$79.1 billion. The next largest components were rent

Figure C

Components of Nonfarm Sole Proprietorship Business Deductions, Tax Years 2007 and 2008

[Money amounts are in millions of dollars]

Business deductions	2007	2008	Percentage increase
	(1)	(2)	(3)
Business deductions, total [1,2]	1,044,343.4	1,053,706.0	0.9
Cost of sales and operations, total	422,684.5	434,868.3	2.9
Inventory, beginning of year	44,469.6	46,735.3	5.1
Cost of labor	34,514.6	31,282.1	-9.4
Purchases	264,234.8	280,662.4	6.2
Materials and supplies	61,519.0	56,592.4	-8.0
Other costs	64,956.7	66,776.8	2.8
Inventory, end of year	47,010.1	47,180.6	0.4
Business expenses, total [1]	621,658.9	618,837.6	-0.5
Advertising expenses	15,731.0	14,767.2	-6.1
Car and truck expenses	82,023.8	85,054.9	3.7
Commissions	14,569.2	13,381.2	-8.2
Contract labor	36,674.4	35,388.2	-3.5
Depletion	1,021.1	1,423.8	39.4
Depreciation [3]	39,646.0	41,446.3	4.5
Employee benefit programs	2,909.5	2,897.0	-0.4
Home office business deductions [3]	11,217.6	11,504.2	2.6
Depreciation, Form 8829	1,439.1	1,476.0	2.6
Insurance	19,290.6	18,308.1	-5.1
Legal and professional services	10,934.4	11,108.8	1.6
Meals and entertainment deducted	7,661.5	7,335.9	-4.2
Mortgage interest	6,649.0	6,481.1	-2.5
Other interest paid on business indebtedness	8,368.2	8,181.0	-2.2
Office expenses	13,297.3	12,827.3	-3.5
Pension and profit-sharing plans	1,279.7	1,235.3	-3.5
Rent paid on machinery and equipment	9,526.5	9,439.0	-0.9
Rent paid on other business property	33,613.2	34,074.9	1.4
Repairs	16,170.7	15,463.7	-4.4
Salaries and wages	79,380.3	79,148.5	-0.3
Supplies	32,325.5	31,831.5	-1.5
Taxes paid	18,183.2	18,066.6	-0.6
Travel	13,134.0	12,740.9	-3.0
Utilities	24,856.2	24,674.7	-0.7
Other business deductions	119,516.1	118,421.7	-0.9

[1] Includes returns with Schedule C-EZ, *Net Profit from Business*, attached. Because only a total is reported for business deductions on Schedule C-EZ, the totals shown in the statistics exceed the sum of the detailed deductions; the detailed deductions are, therefore, slightly understated.

[2] Total business deductions are before subtraction of nonallowable "passive" activity losses and any "passive loss" carryover from the prior years.

[3] Depreciation claimed on Form 8829, *Expenses for Business Use of Your Home*, is included in "home office business deductions" and excluded from "depreciation" shown above.

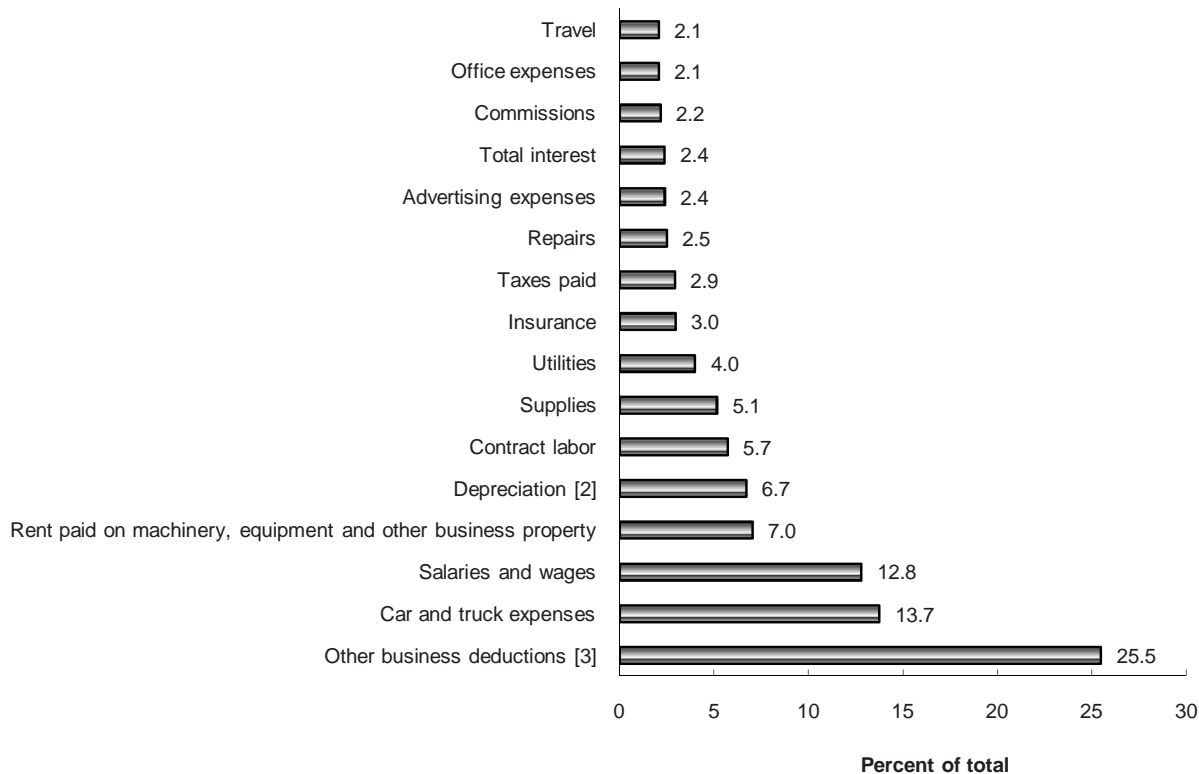
NOTES: Detail may not add to totals because of rounding. Percentage increases were calculated before rounding.

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Figure D

Nonfarm Sole Proprietorship Total Business Expenses by Type of Expenses, Tax Year 2008 [1]



[1] Total business expenses equals all business deductions minus cost of sales and operations.

[2] Depreciation claimed on Form 8829, *Expenses for Business Use of Your Home*, is included in "home office business deductions" and excluded from "depreciation" shown above. See footnote #3 below.

[3] Includes depletion; employee benefit programs; legal and professional services; pension and profit-sharing plans; meals and entertainment; home office; and other business deductions. Other business deductions also includes all Schedule C-EZ, *Net Profit from Business*, deductions (\$3.6 billion).

on business property, machinery, and equipment (7.0 percent), and depreciation (6.7 percent). For 2008, rent on business property, machinery, and equipment expenses increased 0.9 percent to \$43.5 billion, while depreciation expenses rose 4.5 percent to \$41.4 billion. Car and truck expenses showed the largest net increase in share of business expenses, 0.5 percent, up from 13.2 percent in 2007. Conversely, commissions and contract labor showed the largest net

decreases, 0.2 percent down from 2.3 percent and 5.9 percent, respectively, for 2007.

Historically, constant dollar depreciation increased every year from 1993 through 2003, with the exception of 1995, when it decreased 1.9 percent to \$28.5 billion (Figure E).⁷ In 2003, under the Jobs and Growth Tax Relief Reconciliation Act of 2003, the maximum allowable section 179 deduction (which allows expensing of investment property

⁷ The increase in the depreciation deduction for 1993 may be attributed, in part, to a provision of the Omnibus Budget Reconciliation Act of 1993 (OBRA93). The cost of certain tangible property (as described in Internal Revenue Code section 179) may be treated as a current expense rather than a capital expenditure subject to depreciation deductions. The provision of OBRA93 (related to these expenses) increased the maximum amount of investment certain small businesses could immediately deduct on property placed in service after 1992, from \$10,000 to \$17,500. Following the enactment of this provision, the 179 deduction for all individuals (not just sole proprietors) filing Form 4562, *Depreciation and Amortization*, increased 32.4 percent to \$13.5 billion for 1993.

Figure E

Nonfarm Sole Proprietorship Net Income, Deficit, and Depreciation, Tax Years 1988 –2008

[Money amounts are in billions of dollars]

Tax year	Current dollars			Constant dollars [1]			Percentage increase in constant dollars [1]		
	Net income	Deficit	Depreciation [2]	Net income	Deficit	Depreciation [2]	Net income	Deficit	Depreciation [2]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1988	145.5	19.2	26.1	192.2	25.4	34.5	[3]	[3]	[3]
1989	152.4	19.7	24.5	194.0	25.1	31.2	0.9	-1.1	-9.6
1990	161.7	20.2	23.7	198.2	24.8	29.0	2.2	-1.3	-6.9
1991	162.4	20.9	23.1	192.3	24.8	27.4	-3.0	[4]	-5.8
1992	173.5	19.5	23.3	200.8	22.6	27.0	4.4	-8.8	-1.4
1993	177.0	20.5	25.0	200.3	23.2	28.3	-0.3	2.8	4.9
1994	187.8	21.0	26.2	208.1	23.3	29.0	3.9	0.3	2.6
1995	191.7	22.5	26.2	208.2	24.4	28.5	[4]	4.8	-1.9
1996	200.1	23.4	27.4	213.2	24.9	29.2	2.4	2.1	2.4
1997	210.5	23.8	28.6	220.6	25.0	30.0	3.4	0.3	2.9
1998	226.2	23.9	29.1	234.5	24.8	30.2	6.3	-0.7	0.7
1999	233.4	25.5	30.6	238.5	26.0	31.3	1.7	4.9	3.7
2000	245.2	30.5	32.2	245.2	30.5	32.2	2.8	17.3	2.8
2001	250.2	32.8	33.4	244.4	32.0	32.7	-0.3	5.0	1.4
2002	257.3	36.2	36.6	247.5	34.8	35.3	1.3	8.7	8.0
2003	269.1	38.8	41.8	253.9	36.6	39.4	2.6	5.1	11.7
2004	290.5	42.9	42.9	266.3	39.3	39.3	4.9	7.5	-0.2
2005	314.8	44.8	39.1	279.2	39.8	34.7	4.9	1.1	-11.8
2006	326.8	48.7	39.0	280.3	41.8	33.5	0.4	5.1	-3.5
2007	335.1	54.5	39.6	279.7	45.5	33.1	-0.2	8.9	-1.1
2008	325.3	60.8	41.4	265.7	49.6	33.9	-5.0	9.0	2.3

[1] Constant dollars are based on the overall implicit price deflator for gross domestic product computed and reported by the U.S. Department of Commerce, Bureau of Economic Analysis, in the Survey of Current Business. The deflator represents the annual average of current-weighted prices, based on 2000 = 100.

[2] Excludes depreciation claimed on Form 8829, *Expenses for Business Use of Your Home*.

[3] Not calculated.

[4] Less than 0.05 percent.

NOTE: Percentage increases were calculated before rounding.

in the year of the purchase instead of depreciating it over time) vaulted from \$24,000 for 2002 to \$100,000 for 2003. The change led to constant dollar depreciation increasing by 11.7 percent for 2003, which was the highest growth in depreciation of any year between 1988 and 2008. But the initial jump in depreciation was offset in subsequent years by trends of decreased depreciation. From 2004 through 2007, constant dollar declines of depreciation were witnessed for all 4 years. In 2004, constant dollar depreciation deductions decreased by 0.2 percent, marking the first drop in 9 years. This downward trend was even more evident in 2005, as constant dollar depreciation fell by 11.8 percent, followed by

decreases of 3.5 percent and 1.1 percent in 2006 and 2007, respectively. During this same 4-year period, section 179 limits gradually increased for inflation, from \$102,000 in 2004, to \$105,000 in 2005, to \$108,000 in 2006, finally rising to \$125,000 in 2007.^{8,9} In 2008, the section 179 limit was doubled to \$250,000, which contributed to a reversal in the previous downward trend in depreciation and helped to account for a 2.3-percent increase in constant dollar depreciation.

Beginning with Tax Year 1992, certain smaller businesses could elect not to itemize depreciation and other business deductions by filing the Schedule C-EZ, *Net Profit from Business*, a simplified ver-

⁸ Under the Jobs and Growth Tax Relief Reconciliation Act of 2003 the maximum amount of section 179 deduction (the amount of depreciable property that one can expense for the cost of certain qualifying property) increased from \$24,000 for 2002 to \$100,000 for 2003, \$102,000 for 2004, \$105,000 for 2005, and \$108,000 for 2006. This was further expanded to \$125,000 for 2007 and \$250,000 for 2008 through the Tax Increase Prevention and Reconciliation Act signed in May, 2006. For all individual tax returns that filed Form 4562, *Depreciation and Amortization*, the section 179 property deducted as an expense increased by 5.1 percent to \$49.8 billion for 2008. The Jobs Creation and Worker Assistance Act of 2002 introduced 30-percent bonus depreciation and the Jobs and Growth Tax Relief Reconciliation Act of 2003 increased the bonus percentage to 50 percent, for property placed in service by January 1, 2005. While bonus depreciation was available to sole proprietors, it was generally not as advantageous as immediate expensing and therefore likely had less effect on their depreciation deductions.

⁹ The amount deducted as section 179 property on returns that had a Schedule C dropped 4.9 percent to \$20.2 billion, from 2007 to 2008. This number does not reflect depreciation solely deducted on the Schedule C, as this could also include depreciation taken on the Schedule E, *Supplemental Income and Loss*, the Schedule F, *Profit or Loss from Farming*, and the Form 4835, *Farm Rental Income and Expenses*.

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sion of Schedule C, *Profit or Loss from Business*. (Schedule C and Schedule C-EZ are the source of sole proprietorship statistics.) For Tax Year 2008, taxpayers could use Schedule C-EZ if they: had business expenses of \$5,000 or less; used the cash accounting method; had no inventories; did not report a loss from the business; had only one business as a sole proprietor; had no employees; were not required to file Form 4562, *Depreciation and Amortization*, for the business; claimed no deduction for home business expenses; and had no prior-year disallowed passive activity losses from the business. Since taxpayers using Schedule C-EZ did not itemize business deductions, the detailed deductions in Table 2 are slightly understated and do not add to the totals.

Figure F presents the numbers and percentages of nonfarm sole proprietorship returns filed on Schedule C-EZ, by industrial sector. For Tax Year 2008, approximately 4.4 million taxpayers filed the Schedule C-EZ, marking a 1.0-percent decrease from the number filed for 2007. Of returns filed for 2008 in the administrative and support services sector (the

largest filers of this schedule), taxpayers filed nearly 0.7 million Schedule C-EZ returns, or 29.0 percent of the total sole proprietorship returns for that sector.¹⁰ For 2008, business receipts from Schedule C-EZ filers totaled \$31.9 billion, or 2.4 percent of total business receipts reported. Business deductions reported on Schedule C-EZ returns accounted for only 0.3 percent of total business deductions for all industries, or \$3.6 billion of the total \$1,053.7 billion. Despite having the largest concentration of Schedule C-EZ filers, deductions reported on the Schedule C-EZ by the administrative and support services sector accounted for only 1.2 percent of that sector's total business deductions.

Profits and Losses

For 2008, many of the largest principal industrial sectors reported either significantly decreased or modestly increased sole proprietorship profits (net income less deficit). Figure B presents total profits for all industries (in both current and constant dollars) since 1988, while Figure G presents profits by

Figure F

All Nonfarm Sole Proprietorship Returns and Those with Schedule C-EZ, by Selected Industrial Sectors, Tax Year 2008

[Number of returns is in thousands, money amounts are in millions of dollars]

Industrial sector	Number of returns			Total business receipts			Total business deductions [1]		
	Total	With Schedule C-EZ	Percentage of total	Total	On Schedule C-EZ	Percentage of total	Total	On Schedule C-EZ	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All nonfarm industries	22,614.5	4,355.0	19.3	1,317,443.0	31,874.9	2.4	1,053,706.0	3,635.8	0.3
Construction	2,821.7	467.4	16.6	206,688.4	3,434.9	1.7	177,584.3	357.7	0.2
Wholesale trade (merchant wholesalers)	325.5	39.0	12.0	52,343.8	264.4	0.5	48,251.4	24.3	0.1
Retail trade	2,275.5	261.1	11.5	196,844.6	1,524.0	0.8	188,900.3	237.2	0.1
Transportation and warehousing	1,047.7	113.2	10.8	81,073.3	915.8	1.1	71,793.9	112.2	0.2
Finance and insurance	693.1	85.7	12.4	112,312.1	777.1	0.7	94,315.2	82.7	0.1
Real estate and rental and leasing	1,278.9	110.6	8.7	58,051.4	940.1	1.6	43,870.2	161.6	0.4
Professional, scientific, and technical services	3,218.9	530.7	16.5	172,025.9	5,818.2	3.4	97,826.0	542.6	0.6
Administrative and support and waste management and remediation services	2,302.8	668.4	29.0	61,449.6	4,649.5	7.6	44,496.7	514.5	1.2
Health care and social assistance	1,998.3	505.2	25.3	118,634.1	4,170.7	3.5	71,139.6	388.5	0.5
Arts, entertainment, and recreation	1,347.8	274.2	20.3	33,092.3	1,104.1	3.3	25,108.0	198.3	0.8
Other services	2,360.1	508.9	21.6	82,993.0	3,853.1	4.6	64,868.4	469.9	0.7
All other industries	2,944.3	790.5	26.8	141,934.6	4,423.1	3.1	125,551.9	546.3	0.4

[1] Total business deductions are calculated before subtraction of nonallowable "passive" activity losses and any "passive loss" carryover from prior years.

NOTES: Certain smaller sole proprietorships could elect not to itemize business deductions by filing Schedule C-EZ, *Net Profit from Business*. See the text of this article for a full list of the requirements to be eligible to file Schedule C-EZ. Detail may not add to totals because of rounding. Percentages were calculated before rounding.

¹⁰ Based on NAICS, the full name of the administrative and support services sector is administrative and support and waste management and remediation services sector. The waste management and remediation services portion make up a small percentage of the overall numbers reported under this classification, which are detailed in Table 1.

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industrial sector for 2007 and 2008.¹¹ Total profits decreased 5.7 percent from \$280.6 billion for 2007 to \$264.5 billion for 2008. The professional, scientific, and technical services sector, which had the highest percentage of total profits of all nonfarm sole proprietorships with 28.1 percent, reported the highest dollar increase in profits (\$2.7 billion). A moderately smaller sector, the health care and social assistance sector, reported the second largest dollar increase in profits for 2008 at \$1.5 billion. One of the smallest sectors, the arts, entertainment, and recreation sector, reported the largest percentage increase in profits, with 6.5 percent. Interestingly, the real estate and rental and leasing sector, which reported the largest percentage increase in profits for 2005 (19.4 percent), reported the largest decrease in profits for 2006, 2007, and 2008, with decreases of 18.5 percent, 17.7 percent, and 36.1 percent, respectively. This sharp downward trend has caused the sector to lose 57.2 percent of its profits in 2008 compared with 2005. Some of the other sectors experienced significant decreases in profit. Construction (-18.3

percent), retail trade (-15.6 percent), wholesale trade (-14.5 percent), transportation and warehousing (-14.4 percent), and finance and insurance (-10.8 percent) all had double digit decreases in profit.

In constant dollars, total profits decreased 7.7 percent for 2008, marking the largest single-year decline during the 20-year period this article covers (Figure B). For the third straight year, profits as a percentage of business receipts also decreased. Figure H shows net income less deficits as a percentage of business receipts for 1988 through 2008. In general, this percentage has increased slightly from a low of 18.8 percent for 1988. Profits as a percentage of business receipts had remained between 20.7 percent and 22.1 percent since 1992, peaking at 22.1 percent in 2005. However, in 2008, the percentage dropped out of that range, down to its current 20.1 percent. Figure E presents net income and deficit separately for 1988 through 2008, in current and constant dollars. For 2008, net income (in constant dollars) decreased 5.0 percent, and net deficit (in constant dollars) increased by 9.0 percent.

Figure G

Nonfarm Sole Proprietorship Profits, by Selected Industrial Sectors, Tax Years 2007 and 2008

[Money amounts are in billions of dollars]

Industrial sector	Net income less deficit (profits)		
	2007	2008	Percentage increase
	(1)	(2)	(3)
All nonfarm industries	280.6	264.5	-5.7
Construction	35.7	29.2	-18.3
Specialty trade contractors	27.9	23.7	-14.8
Wholesale trade (merchant wholesalers)	4.8	4.1	-14.5
Retail trade	9.5	8.0	-15.6
Transportation and warehousing	11.0	9.4	-14.4
Finance and insurance	20.2	18.0	-10.8
Real estate and rental and leasing	22.3	14.3	-36.1
Real estate	22.2	14.1	-36.2
Professional, scientific, and technical services	71.6	74.3	3.8
Administrative and support and waste management and remediation services	16.5	17.0	2.9
Health care and social assistance	46.1	47.5	3.2
Child day care services	4.6	4.9	7.9
Arts, entertainment, and recreation	7.6	8.1	6.5
Performing arts, spectator sports, and related industries	7.3	7.6	3.0
Other services	19.2	18.1	-5.8
Personal and laundry services	12.7	13.1	3.0
All other industries	16.2	16.6	2.6

NOTES: Detail may not add to totals because of rounding. Percentage increases were calculated before rounding.

¹¹ Net income minus deficit (loss) before Federal income tax yields profits. Proprietors compute their tax on total "taxable income," which includes their business profits plus any other income.

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Figure H

Nonfarm Sole Proprietorship Receipts, Deductions, and Profits, Tax Years 1988–2008

[Money amounts are in billions of dollars]

Tax year	Total business receipts			Total business deductions [1]			Net income less deficit (profits)			Net income less deficit as a percent of business receipts
	Current dollars	Constant dollars [2]		Current dollars	Constant dollars [2]		Current dollars	Constant dollars [2]		
		Amount	Percentage increase		Amount	Percentage increase		Amount	Percentage increase	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1988	672.0	887.8	0	545.7	720.9	0	126.3	166.9	0	18.8
1989	692.8	881.9	-0.7	560.2	713.1	-1.1	132.7	168.9	1.2	19.2
1990	730.6	895.5	1.5	589.2	722.1	1.3	141.4	173.3	2.6	19.4
1991	712.6	843.9	-5.8	571.2	676.4	-6.3	141.5	167.6	-3.3	19.9
1992	737.1	853.3	1.1	583.1	675.0	-0.2	154.0	178.3	6.4	20.9
1993	757.2	856.8	0.4	600.8	679.7	0.7	156.5	177.0	-0.7	20.7
1994	790.6	876.0	2.2	623.8	691.2	1.7	166.8	184.8	4.4	21.1
1995	807.4	876.6	0.1	638.1	692.8	0.2	169.3	183.8	-0.6	21.0
1996	843.2	898.5	2.5	666.5	710.1	2.5	176.8	188.3	2.5	21.0
1997	870.4	912.2	1.5	683.9	716.7	0.9	186.6	195.6	3.9	21.4
1998	918.3	951.8	4.3	716.2	742.3	3.6	202.3	209.7	7.2	22.0
1999	969.3	990.5	4.1	761.4	778.0	4.8	207.9	212.5	1.3	21.5
2000	1,021.0	1,021.0	3.1	806.4	806.4	3.6	214.7	214.7	1.1	21.0
2001	1,016.8	993.3	-2.7	799.6	781.1	-3.1	217.4	212.3	-1.1	21.4
2002	1,029.7	990.6	-0.3	808.9	778.2	-0.4	221.1	212.7	0.2	21.5
2003	1,050.2	990.8	[3]	820.2	773.8	-0.6	230.3	217.3	2.1	21.9
2004	1,139.5	1,044.5	5.4	892.4	818.0	5.7	247.6	226.9	4.4	21.7
2005	1,222.9	1,084.7	3.9	953.4	845.7	3.4	269.9	239.4	5.5	22.1
2006	1,278.4	1,096.7	1.1	1,001.1	858.8	1.6	278.0	238.5	-0.4	21.7
2007	1,324.4	1,105.4	0.8	1,044.3	871.6	1.5	280.6	234.2	-1.8	21.2
2008	1,317.4	1,076.1	-2.6	1,053.7	860.7	-1.3	264.5	216.1	-7.7	20.1

[1] Total business deductions are calculated before subtraction of nonallowable "passive" activity losses and any "passive loss" carryover from prior years. However, these losses (after subtraction) and any carryover are reflected in net income or deficit. Therefore, total business receipts minus total business deductions may not always equal net income or deficit.

[2] Constant dollars are based on the overall implicit price deflator for gross domestic product computed and reported by the U.S. Department of Commerce, Bureau of Economic Analysis, in the *Survey of Current Business*. The deflator represents the annual average of current-weighted prices, based on 2000 = 100.

[3] Less than 0.05 percent.

NOTE: Percentage increases were calculated before rounding.

Industries

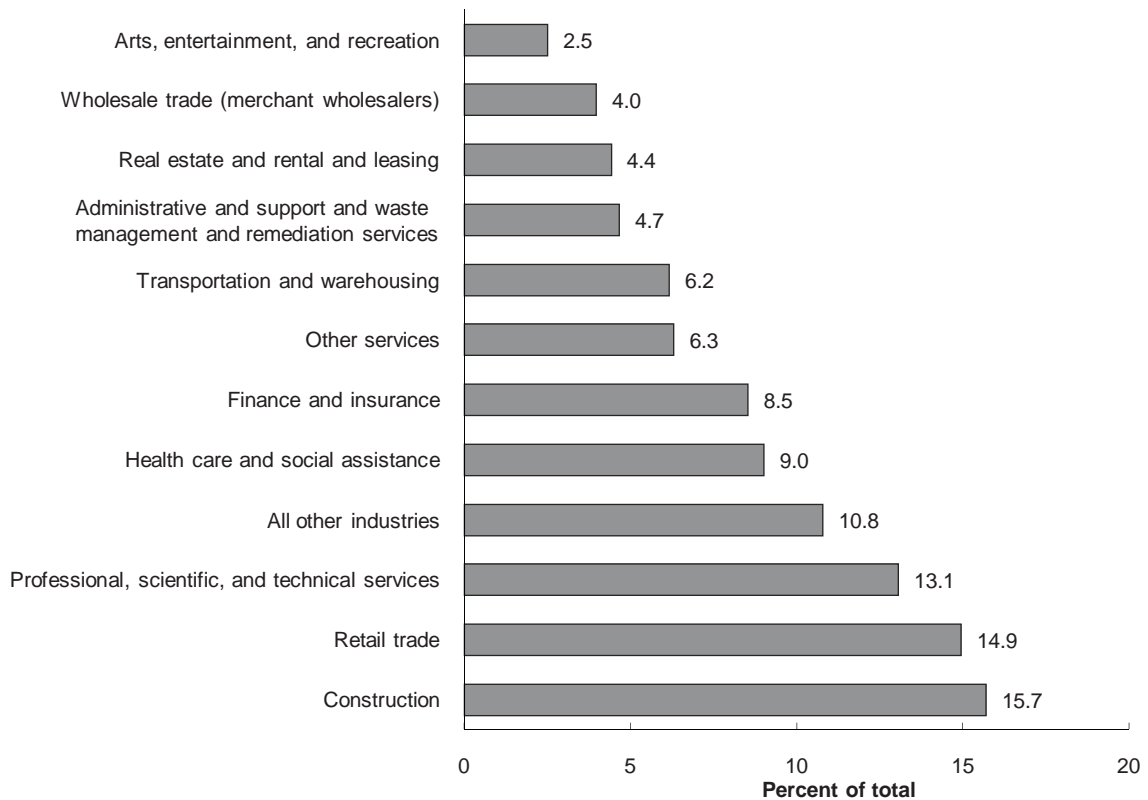
Using receipts as a measure of business size, Figures A and I show that construction was the largest sole proprietorship industrial sector for 2008, with 15.7 percent of all business receipts (the fifth year in a row that this sector was largest). Total receipts for the construction sector, at \$206.7 billion, were 10.5 percent lower than the \$230.8 billion reported for 2007, while deductions decreased by 9.0 percent, resulting in an 18.3-percent decrease in profits, from \$35.7 billion to \$29.2 billion (See Figure G). Besides construction, three other major sectors, namely real estate, retail trade, and transportation and warehousing, experienced a decline in business receipts for 2008. These declining sectors represented 41.2 percent of all nonfarm industry business receipts. The second largest industrial sector was retail trade, with receipts totaling \$196.8 billion. This amount was 14.9 percent of all sole proprietorship receipts for

2008, representing a 1.0-percent decrease since 2007. Deductions and profits also decreased in this sector, by 0.3 percent and 15.6 percent, respectively. Retail trade profits totaled \$8.0 billion for 2008.

The third largest sector was professional, scientific, and technical services, which accounted for 13.1 percent of sole proprietorship receipts for 2008. Receipts increased 1.6 percent to \$172.0 billion, and deductions remained virtually the same at \$97.8 billion. Although this sector was just the third largest sector in terms of business receipts, the professional, scientific, and technical services sector had the largest percentage of sole proprietorship profits, with 28.1 percent (see Figure J). For 2008, the professional, scientific, and technical services sector's profits went from \$71.6 billion to \$74.3 billion, a 3.8-percent increase. The sector with the second largest profits was health care and social assistance, whose profits rose to \$47.5 billion for 2008. This

Figure I

Nonfarm Sole Proprietorship Total Business Receipts, by Selected Industrial Sectors, Tax Year 2008



NOTES: Percents are based on estimated total business receipts of \$1.3 trillion. Detail may not add to 100 percent because of rounding.

marked a 3.2-percent increase from 2007 levels and represented 18.0 percent of all sole proprietorship profits. These sectors were followed by construction (11.0 percent), other services (6.9 percent), and finance and insurance (6.8 percent) in terms of overall sole proprietor profits.

Tax Year 2001 is the first year in which data became available on the number of Limited Liability Companies (LLC) among sole proprietorship returns. LLC entities have the limited liability of corporations, but may be taxed as sole proprietorships— income and expenses flow through to the owner to be taxed—if they are owned by a single, individual member. In 2001, there were approximately 126,000 sole proprietorship returns that indicated status as an LLC (Figure K). This increased by 15.3 percent for 2002, 51.3 percent for 2003, 40.4 percent for

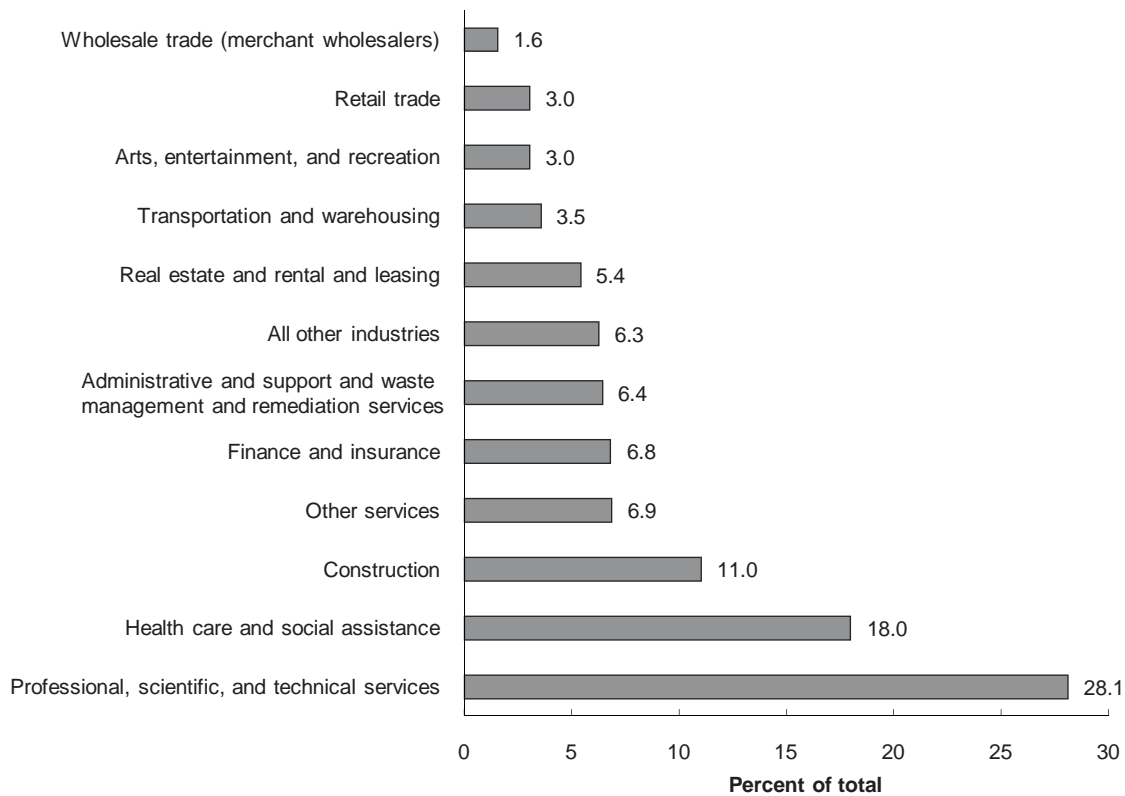
2004, 47.2 percent for 2005, 33.2 percent for 2006, 23.1 percent for 2007, and 12.8 percent for 2008. Increases in the actual number of LLCs also help to illustrate the trend during the last few years. The count of LLCs increased by approximately 146,000 for 2005, 151,000 for 2006, 140,000 for 2007, and 96,000 for 2008. This illustrates a tapering off of newly formed LLCs within sole proprietorships. For Tax Year 2008, the number of these sole proprietorships rose to approximately 843,000. This was a 12.8-percent increase since 2007, representing the smallest percentage change within the observed period. The 2008 level of LLCs among sole proprietorship returns accounts for 3.7 percent of the total nonfarm sole proprietorships, with the total number of returns with LLCs having increased nearly seven-fold since 2001.

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Figure J

Nonfarm Sole Proprietorship Total Business Profits, by Selected Industrial Sectors, Tax Year 2008



NOTES: Percentages are based on estimated total business profits of \$280.6 billion. Detail may not add to 100 percent because of rounding. Profits is a designation for "net income less deficit," shown elsewhere in this article.

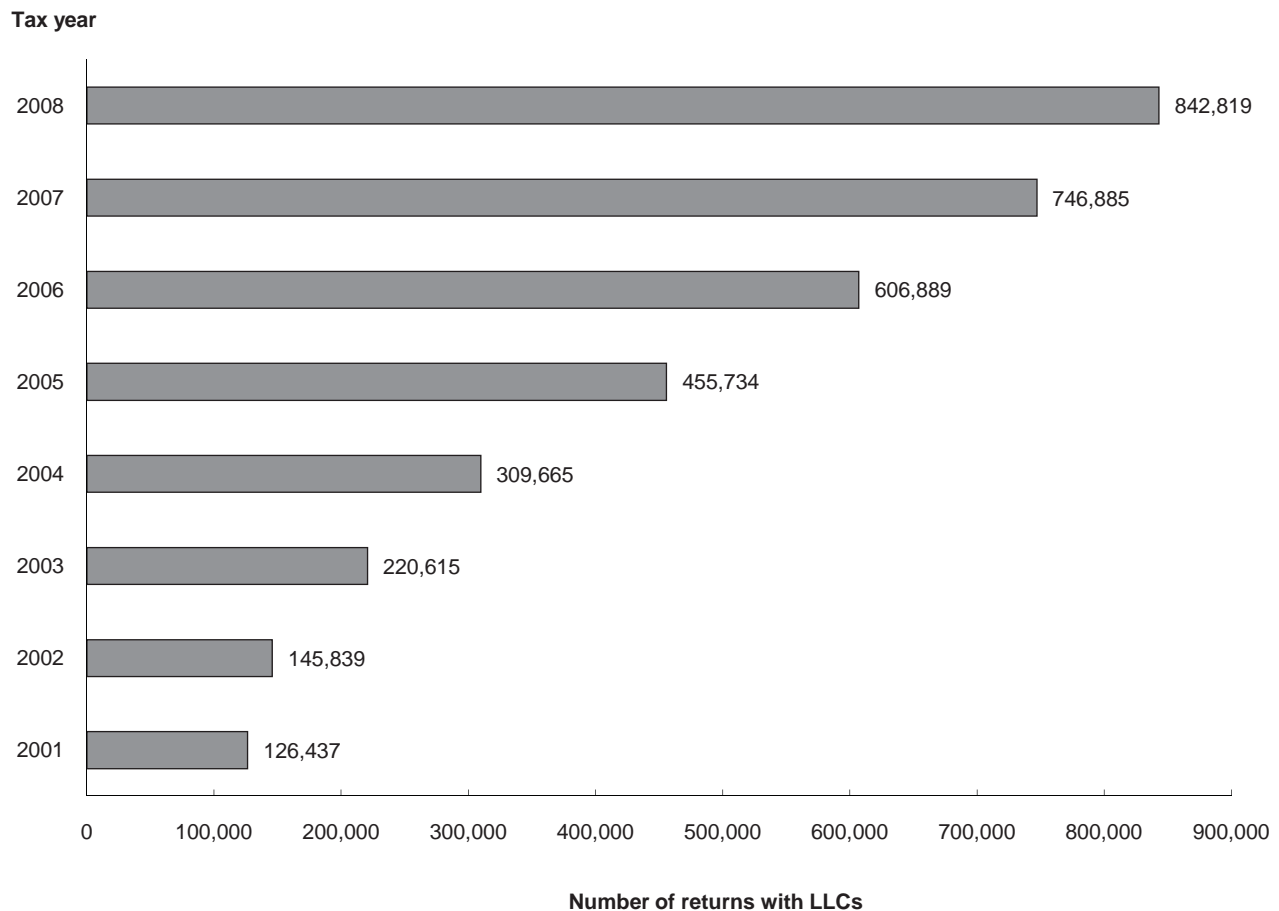
Summary

Profits for the 22.6 million returns with sole proprietorship activity for Tax Year 2008 declined by 5.7 percent to a level of \$264.5 billion. In constant dollars, total nonfarm sole proprietorship profits decreased 7.7 percent, after decreasing 0.4 percent in 2006 and 1.8 percent in 2007. This was the first time since before 1988 that sole proprietorship profits (in constant dollars) had decreased for 3 consecutive years. The professional, scientific, and technical services sector had the largest profits of any sector, at \$74.3 billion, representing 28.1 percent of total sole proprietorship profits, followed by the health care and social assistance sector, at \$47.5 billion or 18.0 percent of total profits. For all sole proprietorships, receipts decreased 0.5 percent, while deductions increased 0.9 percent. The largest sole proprietorship

industrial sector, based on business receipts, was the construction sector, accounting for 15.7 percent of receipts. This sector reported a 10.5-percent decrease in 2008. The finance and insurance sector showed the largest percentage increase in both receipts and deductions, reporting a 19.5-percent increase in receipts and a 27.8-percent increase in deductions. After increasing in 2006 and 2007, filings of Schedules C-EZ decreased 1.0 percent in 2008. The industrial sector that experienced the most significant downturn in both profits and receipts from Tax Year 2007 to 2008 was the real estate and rental and leasing sector. After having the largest percentage decline in profits in both 2006 (18.5 percent) and 2007 (17.7 percent), the real estate and rental and leasing sector continued this trend, with a 36.1-percent drop in profits for 2008. Correspondingly, this sector continued to have

Figure K

Number of Nonfarm Sole Proprietorships Registered as Limited Liability Companies (LLCs), Tax Years 2001–2008



the biggest decrease in business receipts. After declines of 6.9 percent in 2006 and 8.0 percent in 2007, the real estate sector’s reported business receipts fell another 18.2 percent in 2008.

Data Sources and Limitations

The 2008 sole proprietorship estimates are based on a stratified probability sample of unaudited individual income tax returns, Form 1040 (including electronically filed returns), processed by the Internal Revenue Service during Calendar Year 2009. Returns in the sample were stratified based on: (1) the presence

or absence of Schedule C, *Profit or Loss From Business (Sole Proprietorship)*, or Schedule C-EZ, *Net Profit From Business*, and Schedule F, *Farm Income and Expenses*; (2) the larger of positive income or negative income (i.e., “adjusted gross income” before statutory adjustments); and (3) tax year. The returns were selected at rates that ranged from 0.1 percent to 100 percent. The 2008 nonfarm sole proprietorship data are based on a sample of 91,679 returns and a population of 22,990,883 returns.¹² The corresponding sample and population for the 2007 data were 90,983 and 23,516,241, respectively.

¹² The difference between the number of returns in the population and the total number of returns in Tables 1 and 2 is mainly due to returns in which Schedule C income was moved to other income or wages to avoid double counting of taxpayers for Gross Domestic Product calculations. In addition, data from amended returns and tentative returns are not reflected in these statistics.

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Since the data presented in this article are estimates based on a sample of returns filed, they are subject to sampling error. To properly use the statistical data estimates provided, the magnitude of the potential sampling error must be known; coefficients of variation (CVs) are used to measure that magnitude. Figure L presents estimated coefficients of variation for the number of returns and money

amounts for selected items and industrial sectors. Generally, the smaller the coefficient of variation, the more reliable the estimate is judged to be. The section SOI Sampling Methodology and Data Limitations, near the back of this issue, discusses the reliability of estimates based on samples and the use of coefficients of variation for evaluating the precision of estimates based on samples.

Figure L

Nonfarm Sole Proprietorships: Coefficients of Variation for Selected Items, by Selected Industrial Sectors, Tax Year 2008

[Coefficients of variation are in percentages]

Industrial sector	Coefficients of variation				
	Total business receipts	Total business deductions	Depreciation [1]	Net income	Deficit
	(1)	(2)	(3)	(4)	(5)
All nonfarm industries	0.53	0.60	1.21	0.75	1.33
Construction	1.88	1.98	3.37	2.24	4.78
Specialty trade contractors	2.23	2.37	3.94	2.53	6.21
Wholesale trade (merchant wholesalers)	4.44	4.55	9.30	6.54	10.68
Retail trade	2.04	2.03	4.01	3.45	3.69
Transportation and warehousing	2.59	2.66	3.99	3.46	6.01
Finance and insurance	1.90	1.75	7.39	3.83	5.84
Real estate and rental and leasing	2.57	2.81	4.68	3.15	4.30
Real estate	2.63	2.91	4.95	3.21	4.57
Professional, scientific, and technical services	1.69	1.96	3.55	1.96	3.99
Administrative and support and waste management and remediation services	2.88	3.34	5.44	2.85	5.84
Health care and social assistance	1.86	2.01	3.96	2.23	7.63
Child day care services	4.53	5.84	14.17	4.30	13.68
Arts, entertainment, and recreation	3.20	3.15	5.28	4.43	5.09
Performing arts, spectator sports, and related industries	3.65	3.59	6.26	4.76	5.84
Other services	2.55	2.82	4.50	2.82	5.29
Personal and laundry services	3.05	3.39	6.11	3.52	6.91
All other industries	2.10	2.16	3.19	2.83	3.32

[1] Excludes depreciation claimed on Form 8829, *Expenses for Business Use of Your Home*.

Sole Proprietorship Returns, 2008

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Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Industrial sector	Businesses with and without net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income less deficit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All nonfarm industries	22,614,483	1,317,443,005	42,922,336	9,439,007	34,074,935	14,662,064	110,430,600	264,508,362
Agriculture, forestry, hunting, and fishing	307,287	17,590,294	1,862,191	113,910	138,074	287,887	1,681,043	447,873
Animal production (including breeding of cats and dogs)	51,404	1,029,452	239,693	1,679	13,765	30,585	53,659	-553,558
Forestry and logging (including forest nurseries, timber tracts)	51,577	5,188,799	600,151	46,918	9,217	110,754	505,496	158,618
Fishing	64,343	2,535,299	362,461	16,867	30,964	68,078	29,059	445,556
Hunting and trapping	12,353	191,555	37,200	1,671	12,257	14,161	5,837	-22,976
Support activities for agriculture and forestry	127,610	8,645,191	622,686	46,775	71,870	64,310	1,086,992	420,233
Mining	134,372	17,653,003	1,483,030	63,119	46,165	276,884	791,986	2,912,813
Oil and gas extraction	106,666	13,944,820	1,135,814	20,263	36,463	192,308	352,554	2,090,823
Coal mining	330	354,224	23,399	3,270	* 617	3,983	45,381	-15,660
Metal ore mining	* 662	* 57,369	* 3,231	* 1,267	* 385	* 932	* 9,173	* -8,891
Nonmetallic mineral mining and quarrying	3,028	652,198	117,265	8,324	* 105	41,150	79,262	27,179
Support activities for mining	23,686	2,644,392	203,320	29,996	8,594	38,511	305,616	819,362
Utilities	12,650	321,981	24,428	* 734	* 6,044	8,006	* 30,881	30,470
Construction	2,821,745	206,688,428	6,867,419	1,342,334	1,380,449	2,053,941	24,494,085	29,153,787
Residential building construction	417,996	44,486,914	893,328	197,017	190,671	609,561	4,438,307	3,988,593
Nonresidential building construction	78,938	10,301,953	321,060	69,575	66,624	113,821	1,159,910	939,204
Heavy and civil engineering construction	61,515	8,808,104	534,186	81,422	47,951	271,090	866,551	485,373
Specialty trade contractors	2,263,296	143,091,457	5,118,844	994,320	1,075,204	1,059,470	18,029,318	23,740,617
Manufacturing	340,237	28,109,966	1,335,871	179,108	851,786	345,404	3,479,665	2,694,049
Food manufacturing	35,793	4,156,833	121,123	25,258	103,183	65,652	355,941	50,186
Textile and textile product mills	5,026	342,315	28,243	* 1,513	* 9,729	5,357	* 80,250	-13,308
Apparel	19,905	875,515	27,533	7,911	66,222	4,330	159,028	60,430
Leather and allied products	* 3,783	* 61,881	* 1,007	0	0	* 715	* 9,920	* -9,186
Wood products	32,965	2,332,029	118,918	15,203	50,554	27,647	314,923	160,722
Paper products	* 709	* 28,050	* 28	* 372	0	0	* 2,720	* -7,824
Printing and related support activities	36,181	2,566,657	129,890	11,244	129,911	38,116	279,226	312,791
Petroleum and coal products	468	* 99,206	* 1,410	0	* 64	* 308	* 1,289	5,916
Chemical manufacturing	11,569	1,081,306	54,182	12,197	14,277	11,902	104,411	-39,552
Plastics, rubber, clay, refractory, and glass products	11,868	378,462	24,680	3,386	7,402	5,247	65,624	-21,828
Nonmetallic mineral products	3,271	713,751	39,542	* 842	* 885	9,445	78,098	86,459
Primary metal industries	4,879	602,321	19,351	* 15,949	* 24,997	* 10,804	121,020	12,522
Fabricated metal products	28,335	3,734,667	206,273	10,699	99,360	49,829	541,606	397,452
Machinery	23,019	3,051,994	229,874	30,325	75,824	34,530	409,760	460,528
Computer and electronic products	13,545	413,813	13,634	* 2,551	* 5,930	* 8,217	22,928	133,222
Electrical equipment, appliances, and components	3,318	500,680	4,819	* 10,655	4,976	* 3,745	50,982	65,337
Transportation equipment	10,919	936,764	16,114	6,196	40,522	5,507	211,216	4,255
Furniture and related products	28,835	2,486,626	102,520	5,862	80,349	17,674	245,994	632,157
Medical equipment and supplies	8,302	646,131	9,809	* 7,667	19,780	3,046	46,723	101,023
Other miscellaneous manufacturing	57,548	3,100,965	186,921	11,277	117,823	43,335	378,006	302,745
Wholesale trade (merchant wholesalers)	325,522	52,343,754	766,708	138,173	721,644	343,823	2,202,700	4,118,498
Durable goods, including machinery, wood, metals, etc.	135,479	23,705,289	414,866	51,925	323,153	167,371	1,027,938	1,620,013
Nondurable goods, including food, fiber, chemicals, etc.	100,241	22,368,567	282,033	56,970	290,702	136,280	968,768	1,461,836
Wholesale electronic markets and agents and brokers	89,801	6,269,898	69,808	29,279	107,789	40,171	205,995	1,036,649

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Industrial sector	Businesses with net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All nonfarm industries	16,434,155	1,062,581,267	26,158,239	6,906,737	25,408,073	7,841,052	85,562,985	325,265,465
Agriculture, forestry, hunting, and fishing	169,725	12,627,490	781,411	63,578	84,012	125,851	1,233,481	2,541,190
Animal production (including breeding of cats and dogs)	9,492	601,772	59,692	* 585	5,747	* 9,006	* 29,194	114,828
Forestry and logging (including forest nurseries, timber tracts)	30,408	3,649,913	310,511	13,756	5,125	51,236	326,663	501,568
Fishing	39,803	1,950,297	134,666	* 11,479	19,085	30,710	* 10,789	775,066
Hunting and trapping	5,045	117,133	* 8,381	* [5]	* 6,690	* 4,039	* 308	35,534
Support activities for agriculture and forestry	84,977	6,308,374	268,161	37,759	47,365	30,859	866,527	1,114,194
Mining	104,824	13,896,902	911,836	36,625	28,222	97,747	523,185	4,411,402
Oil and gas extraction	80,470	11,084,680	706,226	14,644	20,734	68,486	246,308	3,358,158
Coal mining	295	86,755	* 3,534	* 687	* 319	* 199	* 1,197	12,492
Metal ore mining	0	0	0	0	0	0	0	0
Nonmetallic mineral mining and quarrying	2,447	529,721	70,310	* 3,450	* 59	18,572	61,725	97,440
Support activities for mining	21,612	2,195,745	131,766	17,844	7,110	10,490	213,954	943,313
Utilities	8,895	208,130	* 969	* 714	* 307	* 168	* 11,695	61,210
Construction	2,304,865	172,740,182	5,041,603	983,196	1,071,357	1,207,324	19,710,838	35,436,753
Residential building construction	332,398	33,758,359	661,129	139,708	151,414	273,328	3,487,070	5,598,779
Nonresidential building construction	67,760	8,452,764	219,649	45,670	59,950	64,360	937,910	1,272,691
Heavy and civil engineering construction	45,525	5,788,181	359,072	47,615	32,697	97,796	540,103	1,200,161
Specialty trade contractors	1,859,182	124,740,879	3,801,752	750,202	827,296	771,841	14,745,755	27,365,122
Manufacturing	208,296	22,108,550	737,903	120,550	534,201	167,301	2,412,042	4,295,424
Food manufacturing	20,469	2,926,311	44,160	22,147	43,290	18,745	212,125	291,498
Textile and textile product mills	1,886	179,979	* 10,141	* 157	* 128	* 228	* 11,087	33,604
Apparel	10,701	669,070	11,723	* 3,999	49,316	* 2,558	139,184	120,580
Leather and allied products	* 2,697	* 22,869	* 185	0	0	0	0	* 16,942
Wood products	20,818	1,914,912	54,642	* 13,940	41,295	14,761	234,720	276,806
Paper products	* 8	* 2,121	0	0	0	0	0	* 2,020
Printing and related support activities	21,510	1,968,698	76,178	6,936	68,005	31,536	191,266	437,018
Petroleum and coal products	* 444	* 99,056	* 708	0	* 64	* 308	* 1,289	* 7,200
Chemical manufacturing	4,688	878,102	3,525	* 1,998	* 6,289	* 4,147	* 49,766	82,500
Plastics, rubber, clay, refractory, and glass products	4,772	182,931	* 2,610	* 272	* 2,016	* 1,437	* 14,019	15,526
Nonmetallic mineral products	2,218	650,077	* 21,233	* 819	* 431	* 8,073	* 64,351	118,070
Primary metal industries	2,930	528,845	* 12,946	* 14,604	* 22,701	* 2,518	* 89,050	71,316
Fabricated metal products	19,947	3,015,826	131,577	6,299	73,318	22,985	401,468	546,663
Machinery	17,369	2,590,381	129,872	14,368	48,652	19,095	333,139	586,768
Computer and electronic products	7,337	300,139	* 1,485	0	* 3,528	0	* 11,700	161,886
Electrical equipment, appliances, and components	3,260	438,282	1,979	* 9,479	* 3,414	* 1,304	* 37,239	88,050
Transportation equipment	5,763	606,916	* 3,502	* 2,335	* 16,698	* 1,349	* 112,891	110,832
Furniture and related products	22,732	2,165,417	94,972	5,642	57,301	12,001	163,089	674,436
Medical equipment and supplies	6,714	479,075	8,767	* 7,658	17,138	1,570	33,987	127,327
Other miscellaneous manufacturing	32,034	2,489,543	127,697	9,896	80,617	24,685	311,671	526,381
Wholesale trade (merchant wholesalers)	205,647	42,913,616	490,536	96,910	518,098	182,125	1,644,407	5,572,750
Durable goods, including machinery, wood, metals, etc.	86,599	19,761,789	263,931	26,444	220,299	88,082	738,698	2,276,297
Nondurable goods, including food, fiber, chemicals, etc.	62,503	17,868,712	190,174	48,698	212,766	62,408	786,557	1,994,639
Wholesale electronic markets and agents and brokers	56,546	5,283,115	36,431	21,769	85,033	31,635	119,152	1,301,815

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Industrial sector	Businesses with and without net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income less deficit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Retail trade	2,275,476	196,844,560	3,001,898	705,954	6,150,702	1,962,780	10,220,579	8,012,708
Motor vehicle and parts dealers	141,986	39,539,674	351,469	50,516	607,096	493,617	1,568,934	733,028
Furniture and home furnishing stores	45,128	4,331,050	75,833	29,017	312,776	62,930	360,642	355,250
Electronic and appliance stores	32,022	4,836,187	67,813	47,314	135,706	51,639	557,173	346,146
Building material and garden equipment and supplies dealers	43,178	8,367,667	199,981	26,769	111,089	99,615	736,629	714,661
Food and beverage stores	90,978	28,514,563	337,307	114,481	892,191	208,080	1,800,089	929,414
Health and personal care stores	133,393	8,894,781	136,599	80,091	277,760	67,289	554,241	651,259
Gasoline stations	21,790	28,899,287	254,933	28,366	323,622	204,574	788,983	101,208
Clothing and accessories stores	127,848	11,609,824	173,536	39,458	1,068,134	101,965	798,174	453,277
Sporting goods, hobby, book, and music stores	103,392	7,467,029	148,992	19,665	416,806	88,338	406,818	123,558
General merchandise stores	23,544	2,841,834	65,227	19,904	127,339	47,132	123,905	72,660
Miscellaneous store retailers	529,027	30,631,191	632,071	189,037	1,535,793	344,815	1,921,777	1,875,498
Nonstore retailers	983,191	20,911,475	558,139	61,336	342,389	192,787	603,214	1,656,747
Transportation and warehousing	1,047,716	81,073,306	5,568,883	2,309,439	583,160	1,063,150	4,440,942	9,383,446
Air and rail transportation	11,156	1,519,288	420,833	12,983	20,215	87,252	78,553	-291,560
Water transportation	6,787	870,779	112,945	4,055	14,499	30,109	86,319	139,639
General freight trucking, local	212,461	20,208,531	1,466,960	479,195	128,661	241,388	1,750,935	2,218,991
General freight trucking, long distance and specialized freight trucking	** 363,583	** 40,483,021	** 2,809,631	** 1,029,793	** 153,874	** 507,653	** 1,456,374	** 4,054,522
Urban transit	**	**	**	**	**	**	**	**
Interurban and rural bus transportation	* 944	* 33,682	* 2,653	* [5]	0	* 2,551	* 57	* 3,614
Taxi and limousine service	167,974	5,641,078	151,595	660,280	133,785	76,263	132,209	1,523,255
School, employee, and charter bus industry	13,701	741,861	62,275	* 443	* 1,884	25,549	81,979	149,546
Other transit and ground passenger transportation	23,920	718,765	23,629	* 9,765	* 6,374	* 1,924	55,069	260,082
Pipeline transportation	* 658	* 45,911	* 25,551	0	0	* 1,428	* 217	* -14,599
Scenic and sightseeing transportation	12,292	508,958	103,026	* 6,028	14,300	22,063	126,084	-83,664
Support activities for transportation (including motor vehicle towing)	51,560	4,279,539	250,649	52,467	60,023	41,283	315,120	416,012
Couriers and messengers	175,337	5,508,211	97,629	50,311	25,478	13,868	314,656	973,505
Warehousing and storage facilities	7,344	513,683	41,506	4,118	24,068	11,819	43,371	34,105
Information	365,625	11,704,393	520,210	99,339	301,886	93,886	856,692	3,123,461
Publishing industries (except internet)	75,386	1,931,754	35,077	5,103	29,046	24,923	285,398	336,897
Motion picture and sound recording	103,469	3,011,507	278,021	22,971	128,075	22,067	155,603	548,598
Broadcasting (except internet) and telecommunications	51,983	2,647,023	64,572	31,415	71,852	29,426	177,033	455,183
Internet publishing and broadcasting	4,151	177,244	13,479	* 141	* 7,159	* 686	* 11,541	7,401
Internet service providers, web search portals, and data processing	130,635	3,936,865	129,062	39,709	65,754	16,784	227,117	1,775,383
Finance and insurance	693,065	112,312,139	1,052,148	316,196	1,455,536	768,631	4,658,421	18,004,035
Credit intermediation and related activities	72,956	3,166,910	88,809	50,017	83,217	105,044	174,355	229,170
Securities, commodity contracts, and other financial investments	178,338	77,172,761	395,016	81,081	420,106	360,528	1,555,061	5,984,021
Investment bankers and securities dealers	5,122	4,789,463	5,203	3,329	19,894	23,359	46,573	320,069
Securities brokers	17,163	5,357,286	27,275	11,870	32,725	13,360	118,438	967,341
Commodity contracts brokers and dealers	4,959	3,024,548	9,666	1,069	28,466	7,391	43,649	129,923
Securities and commodity exchanges	355	1,677,363	11,500	* 25	* 978	6,149	* 16,610	-15,302
Other financial investment activities (investment advice)	150,738	62,324,101	341,373	64,788	338,042	310,268	1,329,791	4,581,990
Insurance agents, brokers, and related activities	441,771	31,972,467	568,324	185,098	952,214	303,059	2,929,006	11,790,845
Insurance agencies and brokerages	338,253	27,676,834	468,597	171,829	868,924	259,184	2,791,382	9,989,961
Other insurance related activities	103,518	4,295,633	99,726	13,269	83,289	43,876	137,624	1,800,883

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Industrial sector	Businesses with net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Retail trade	1,178,928	149,566,389	1,615,862	469,491	4,046,202	1,024,960	7,124,244	16,853,669
Motor vehicle and parts dealers	95,809	27,100,408	190,039	36,184	366,565	230,751	832,286	1,800,047
Furniture and home furnishing stores	31,080	3,078,483	54,700	22,306	177,343	38,437	252,180	536,726
Electronic and appliance stores	21,707	4,090,173	52,195	35,323	99,883	47,611	451,157	467,415
Building material and garden equipment and supplies dealers	29,288	7,011,290	149,357	21,617	82,616	67,530	544,966	861,849
Food and beverage stores	63,642	23,297,348	198,745	86,362	659,644	127,391	1,383,117	1,491,564
Health and personal care stores	57,826	7,794,683	85,204	58,129	215,539	39,438	477,737	1,160,162
Gasoline stations	13,306	19,879,724	123,671	14,018	215,937	116,951	495,067	397,810
Clothing and accessories stores	70,613	9,894,062	116,195	21,875	790,456	55,035	632,658	1,104,690
Sporting goods, hobby, book, and music stores	42,403	5,433,941	59,440	7,460	227,149	32,984	267,667	696,952
General merchandise stores	10,980	2,360,036	26,635	19,595	81,783	29,035	98,506	211,428
Miscellaneous store retailers	285,724	23,472,085	302,210	106,218	933,511	166,524	1,300,281	3,927,931
Nonstore retailers	456,550	16,154,154	257,471	40,404	195,775	73,273	388,621	4,197,095
Transportation and warehousing	826,797	65,340,649	3,355,340	1,928,250	434,202	619,469	3,083,319	12,541,505
Air and rail transportation	6,888	969,925	42,380	6,096	3,985	9,093	19,986	234,880
Water transportation	5,288	589,647	23,322	* 149	* 12,316	3,858	* 41,702	223,745
General freight trucking, local	166,520	16,159,729	888,610	424,934	90,734	143,204	1,319,279	2,912,265
General freight trucking, long distance and specialized freight trucking	** 286,447	** 32,912,494	** 1,998,233	** 807,660	** 115,315	** 320,713	** 910,633	** 5,005,243
Urban transit	**	**	**	**	**	**	**	**
Interurban and rural bus transportation	* 300	* 13,875	* 208	* [5]	* 0	* 2,551	* 57	* 4,761
Taxi and limousine service	149,479	5,126,887	121,060	599,629	125,758	74,001	* 68,771	1,659,025
School, employee, and charter bus industry	10,676	563,351	32,974	* 201	* 1,423	15,975	63,718	157,329
Other transit and ground passenger transportation	** 17,057	** 560,067	** 11,686	** 7,557	** 5,749	** 1,442	** 39,348	** 289,890
Pipeline transportation	**	**	**	**	**	**	**	**
Scenic and sightseeing transportation	5,078	248,484	* 2,772	0	* 3,773	* 1,732	* 101,435	47,547
Support activities for transportation (including motor vehicle towing)	36,864	3,138,557	165,579	40,816	34,360	27,765	187,067	584,806
Couriers and messengers	137,396	4,615,802	56,035	39,838	23,027	9,857	299,898	1,297,384
Warehousing and storage facilities	4,804	441,830	12,480	1,369	17,762	9,278	31,424	124,630
Information	243,183	9,800,479	275,632	66,909	212,664	37,706	632,016	4,278,001
Publishing industries (except internet)	52,053	1,515,671	16,947	2,280	15,387	14,030	202,197	568,310
Motion picture and sound recording	59,213	2,504,126	112,407	14,700	84,882	4,058	109,887	1,043,912
Broadcasting (except internet) and telecommunications	34,138	2,035,326	37,239	14,757	55,868	9,436	117,852	603,072
Internet publishing and broadcasting	2,152	120,795	* 6,158	* 141	* 6,594	* 91	* 9,501	31,199
Internet service providers, web search portals, and data processing	95,626	3,624,561	102,880	35,031	49,932	10,091	192,579	2,031,507
Finance and insurance	468,187	58,566,141	677,795	249,174	1,240,624	378,748	3,895,765	21,547,741
Credit intermediation and related activities	40,555	2,464,387	39,027	9,730	31,905	46,495	96,694	767,713
Securities, commodity contracts, and other financial investments	104,564	27,205,432	186,564	66,995	335,108	98,375	1,143,991	8,059,177
Investment bankers and securities dealers	3,226	1,501,529	3,709	* 1,075	14,101	2,341	25,976	472,384
Securities brokers	11,205	2,138,677	23,216	11,807	30,140	10,389	106,822	1,067,526
Commodity contracts brokers and dealers	3,291	2,981,175	6,607	* 442	17,627	1,899	15,421	255,422
Securities and commodity exchanges	32	517,187	* 8,636	* 25	* 296	* 967	* 8,161	19,924
Other financial investment activities (investment advice)	86,810	20,066,864	144,396	53,647	272,944	82,779	987,612	6,243,921
Insurance agents, brokers, and related activities	323,068	28,896,322	452,204	172,448	873,611	233,878	2,655,080	12,720,851
Insurance agencies and brokerages	250,486	25,129,756	373,837	161,064	804,035	214,881	2,535,376	10,761,594
Other insurance related activities	72,582	3,766,566	78,367	11,384	69,576	18,998	119,704	1,959,257

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Industrial sector	Businesses with and without net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income less deficit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Real estate and rental and leasing	1,278,868	58,051,397	3,072,063	507,601	1,275,456	1,877,702	2,253,440	14,272,167
Real estate	1,217,101	52,854,366	1,736,336	414,685	1,076,041	1,644,849	1,748,128	14,131,187
Lessors of real estate (including miniwarehouses and self storage)	38,603	1,899,159	310,094	19,849	33,896	431,944	96,006	-131,636
Offices of real estate agents, brokers, property managers, and appraisers	933,828	39,199,345	1,015,725	336,714	750,333	642,822	1,028,679	13,330,418
Other activities related to real estate	244,670	11,755,862	410,517	58,122	291,812	570,084	623,443	932,405
Rental and leasing services	61,767	5,197,031	1,335,727	92,917	199,415	232,853	505,312	140,980
Automotive equipment rental and leasing	15,480	783,258	220,476	11,803	17,115	35,564	52,315	487
Consumer electronics and appliances rental	* 1,313	* 22,035	0	0	0	0	0	* 17,663
Formal wear and costume rental	* 120	* 62,724	* 6,538	0	* 8,222	* 394	* 9,943	* 6,129
Video tape and disc rental	4,838	535,595	14,154	* 1,540	53,913	* 5,621	83,718	36,055
General rental centers and other consumer goods rental	22,082	1,709,253	194,985	18,244	64,576	34,512	171,316	217,513
Commercial and industrial machinery and equipment rental and leasing	17,935	2,084,166	899,573	61,330	55,588	156,762	188,020	-136,866
Professional, scientific, and technical services	3,218,914	172,025,851	4,388,918	1,015,291	3,998,108	1,282,716	13,545,172	74,301,434
Legal services	378,111	41,048,470	539,608	243,263	1,697,704	285,018	4,600,343	18,404,926
Offices of certified public accountants	45,107	4,591,731	116,611	26,443	178,217	52,672	773,446	1,960,640
Other accounting services	312,490	8,564,857	297,301	71,599	275,978	137,020	971,073	3,389,912
Architectural, engineering, and related services	255,667	15,040,113	462,183	125,265	275,297	77,854	1,817,547	5,187,363
Architectural services	99,590	6,863,719	203,488	74,298	133,778	34,295	1,016,653	1,764,504
Engineering services	95,894	5,508,512	175,504	39,555	91,798	28,723	553,202	2,205,786
Drafting, building inspections, and geophysical surveying	42,017	1,617,661	33,858	* 1,830	19,088	5,928	94,038	907,259
Surveying and mapping (except geophysical) services	14,353	678,569	38,460	* 9,520	21,914	* 3,729	110,946	229,460
Testing laboratories	3,812	371,653	10,872	* 63	8,718	* 5,180	* 42,707	80,354
Specialized design services	250,692	8,897,310	270,733	56,465	174,746	63,843	451,847	2,176,040
Computer systems design services	240,391	9,992,920	273,599	59,262	161,548	75,362	683,301	4,024,778
Other professional, scientific, and technical services	1,736,456	83,890,449	2,428,884	432,993	1,234,619	590,948	4,247,615	39,157,776
Management, scientific, and technical consulting services	950,327	47,388,860	1,082,875	232,025	556,595	288,049	1,523,043	26,632,700
Scientific research and development services	32,799	1,179,505	44,206	2,392	23,896	12,319	106,201	461,188
Advertising and related services	120,600	7,650,421	179,969	31,775	94,710	86,449	317,102	1,936,608
Market research and public opinion polling	29,687	979,162	10,320	* 14,343	10,861	* 9,267	70,237	410,210
Other miscellaneous services	603,043	26,692,501	1,111,514	152,458	548,557	194,864	2,231,032	9,717,070
Administrative and support and waste management and remediation services	2,302,805	61,449,597	2,634,207	415,531	824,253	480,379	6,737,037	16,957,186
Administrative and support services	2,277,252	59,416,628	2,402,664	392,714	806,043	440,250	6,502,640	16,792,128
Waste management and remediation services	25,554	2,032,969	231,543	22,818	18,209	40,129	234,397	165,058
Educational services	620,222	9,697,644	298,229	60,162	538,731	84,688	504,421	3,031,251

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Industrial sector	Businesses with net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Real estate and rental and leasing	776,962	46,885,202	1,357,965	356,043	852,352	649,857	1,346,859	20,132,759
Real estate	745,158	43,082,600	923,688	293,256	723,191	557,381	971,475	19,296,407
Lessors of real estate (including miniwarehouses and self storage)	16,366	1,063,194	130,729	12,496	10,552	131,132	27,893	314,198
Offices of real estate agents, brokers, property managers, and appraisers	595,833	34,435,160	626,095	256,619	567,998	287,352	688,850	16,010,274
Other activities related to real estate	132,959	7,584,247	166,864	24,141	144,641	138,897	254,731	2,971,936
Rental and leasing services	31,804	3,802,601	434,277	62,786	129,161	92,476	375,384	836,352
Automotive equipment rental and leasing	9,577	501,922	96,174	* 5,865	* 298	15,969	* 29,097	76,854
Consumer electronics and appliances rental	* 1,313	* 22,035	0	0	0	0	0	* 17,663
Formal wear and costume rental	* 79	* 61,725	* 6,166	0	* 7,249	* 394	* 9,943	* 7,477
Video tape and disc rental	2,325	420,238	* 9,356	* 1,540	* 41,947	* 1,492	* 64,219	61,065
General rental centers and other consumer goods rental	10,621	1,517,459	89,608	* 14,437	43,513	21,658	148,017	364,933
Commercial and industrial machinery and equipment rental and leasing	7,890	1,279,221	232,973	40,944	36,153	52,963	124,107	308,361
Professional, scientific, and technical services	2,381,482	158,908,361	3,150,550	762,485	3,279,390	864,916	11,519,460	80,645,299
Legal services	302,390	39,527,283	474,589	215,822	1,573,548	245,028	4,256,881	19,039,652
Offices of certified public accountants	35,730	4,456,821	98,424	25,715	153,908	49,111	745,836	2,006,263
Other accounting services	253,952	8,097,016	243,790	54,088	228,150	101,535	908,566	3,721,592
Architectural, engineering, and related services	194,522	13,609,539	351,739	70,617	210,257	54,337	1,472,398	5,673,583
Architectural services	71,265	5,868,175	141,844	29,473	103,136	22,664	770,889	2,009,016
Engineering services	76,339	5,191,342	138,336	29,732	67,844	17,681	461,836	2,378,400
Drafting, building inspections, and geophysical surveying	32,091	1,530,041	26,918	* 1,830	19,088	5,517	86,020	949,800
Surveying and mapping (except geophysical) services	12,552	660,178	35,301	* 9,520	* 14,193	* 3,729	110,946	250,233
Testing laboratories	2,275	359,804	* 9,341	* 62	* 5,996	* 4,747	* 42,707	86,134
Specialized design services	171,345	7,640,817	156,593	24,261	99,622	28,527	370,619	2,675,052
Computer systems design services	178,237	9,287,681	189,016	46,343	129,129	35,195	573,335	4,488,596
Other professional, scientific, and technical services	1,245,306	76,289,203	1,636,400	325,639	884,775	351,183	3,191,825	43,040,561
Management, scientific, and technical consulting services	680,319	43,593,208	745,813	160,814	364,110	123,042	1,071,180	28,759,033
Scientific research and development services	23,233	1,006,501	33,276	* 2,192	13,535	* 868	56,068	601,569
Advertising and related services	90,630	6,977,588	140,797	25,659	88,272	80,293	219,567	2,203,234
Market research and public opinion polling	18,612	946,689	5,522	* 14,211	10,448	* 6,189	68,084	457,006
Other miscellaneous services	432,511	23,765,218	710,993	122,763	408,410	140,791	1,776,926	11,019,719
Administrative and support and waste management and remediation services	1,834,717	53,790,774	1,727,779	275,198	594,383	311,977	5,310,774	20,352,614
Administrative and support services	1,814,685	52,159,878	1,566,905	260,514	579,350	285,844	5,160,175	20,072,775
Waste management and remediation services	20,032	1,630,896	160,874	14,684	15,033	26,133	150,599	279,839
Educational services	490,245	7,276,547	136,239	37,297	350,363	25,456	265,983	3,800,109

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Industrial sector	Businesses with and without net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income less deficit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Health care and social assistance	1,998,278	118,634,052	3,035,635	551,649	5,158,149	1,240,154	17,209,350	47,539,320
Ambulatory health care services	990,181	97,029,582	2,339,402	463,933	4,494,934	844,758	14,635,290	40,488,113
Offices of physicians (except mental health specialists)	183,723	33,527,006	603,886	171,398	1,281,486	187,411	4,198,881	16,483,353
Offices of physicians, mental health specialists	27,713	2,571,012	56,142	25,542	136,806	16,256	152,335	1,418,970
Offices of dentists	85,583	29,628,238	917,252	92,432	1,205,410	390,510	6,640,932	10,071,816
Offices of chiropractors	35,894	4,670,025	139,067	44,454	406,620	62,465	606,422	1,709,094
Offices of optometrists	17,566	3,308,192	117,316	18,068	232,412	31,529	560,963	836,782
Offices of mental health practitioners and social therapists	185,643	9,222,844	174,944	29,242	622,391	47,587	671,919	4,712,889
Offices of podiatrists	8,216	1,614,761	44,270	6,835	199,555	16,879	234,877	549,256
health practitioners	158,690	5,473,489	135,302	40,043	241,679	46,138	360,214	2,331,371
Medical and diagnostic laboratories	31,927	1,405,247	49,867	7,129	68,238	11,787	284,786	411,343
Home health care services	227,282	4,514,655	76,712	24,320	74,180	26,679	749,689	1,729,329
Other ambulatory health care services (including ambulance services, blood and organ banks)	27,944	1,094,113	24,644	4,469	26,156	7,517	174,272	233,911
Hospitals	10,803	565,203	8,056	* 784	* 10,115	* 1,717	* 65,198	347,079
Nursing and residential care facilities	61,028	4,635,311	156,891	38,515	247,332	242,833	1,163,012	347,555
Social assistance	147,898	3,187,864	77,222	4,382	154,132	15,659	234,433	1,410,784
Child day care services	788,368	13,216,093	454,064	44,035	251,635	135,188	1,111,417	4,945,788
Arts, entertainment, and recreation	1,347,779	33,092,332	1,920,727	219,389	1,140,219	382,020	1,707,991	8,057,508
Performing arts, spectator sports, and related industries	1,094,030	24,608,291	1,376,261	152,909	521,893	179,918	877,064	7,560,686
Museums, historical sites, and similar institutions	2,988	56,425	901	* 97	* 8,118	* 392	* 4,692	15,929
Amusement, gambling, and recreation industries	250,761	8,427,616	543,564	66,383	610,209	201,709	826,235	480,892
Accommodation, food services, and drinking places	434,168	47,870,153	2,087,498	427,589	3,398,744	1,068,023	8,346,380	649,056
Accommodation	54,627	6,002,638	762,610	27,434	241,975	484,168	926,034	-106,584
Travel accommodation (including hotels, motels, and bed and breakfast inns)	30,796	4,635,708	619,581	24,939	125,858	408,268	763,628	-62,093
RV (recreational vehicle) parks and recreational camps	11,157	849,367	84,862	370	87,730	39,971	81,680	-6,285
Rooming and boarding houses	12,673	517,563	58,168	2,125	* 28,387	35,930	80,726	-38,206
Food services and drinking places	379,541	41,867,514	1,324,888	400,155	3,156,769	583,855	7,420,346	755,640
Other services	2,360,060	82,993,026	2,778,315	877,432	5,968,711	968,644	7,062,906	18,135,387
Auto repair and maintenance	351,027	23,975,616	992,097	226,304	934,504	435,952	2,599,805	2,235,510
Automotive mechanical and electrical repair and maintenance	176,570	12,095,924	516,359	66,854	441,268	216,993	1,200,172	1,067,921
Automotive body shops	85,132	7,046,601	214,190	81,222	310,886	117,615	886,774	818,614
Other auto repair and maintenance (including oil change, lubrication and car washes)	89,325	4,833,090	261,547	78,228	182,350	101,344	512,859	348,975
Miscellaneous repairs	411,150	16,068,515	514,519	95,024	397,899	132,994	1,267,710	2,771,294
Personal and laundry services	1,597,882	42,948,895	1,271,699	556,104	4,636,308	399,699	3,195,390	13,128,583
Religious, grantmaking, civic, professional and similar organizations	245,487	3,243,046	51,767	9,017	25,816	* 9,353	* 25,912	1,682,136
Unclassified establishments	484,209	5,744,085	172,191	87,040	111,301	63,992	180,997	2,001,777

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Industrial sector	Businesses with net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Health care and social assistance	1,655,574	110,275,817	2,395,473	439,759	4,493,294	908,280	15,389,857	49,855,675
Ambulatory health care services	811,894	92,064,135	1,940,083	395,035	4,009,387	710,666	13,561,504	41,846,050
Offices of physicians (except mental health specialists)	153,658	32,124,499	525,453	154,931	1,204,200	168,851	3,952,588	16,770,471
Offices of physicians, mental health specialists	24,199	2,497,861	50,348	23,525	134,519	15,971	146,218	1,436,878
Offices of dentists	74,801	28,711,069	809,029	69,230	1,127,368	341,025	6,441,551	10,223,917
Offices of chiropractors	31,671	4,486,293	107,049	43,400	369,117	60,154	591,538	1,748,283
Offices of optometrists	14,998	3,051,562	86,000	15,776	205,915	24,002	512,117	887,699
Offices of mental health practitioners and social therapists	146,024	8,722,252	146,344	25,863	545,825	26,155	552,415	4,849,572
Offices of podiatrists	6,547	1,526,364	36,812	5,060	136,952	16,879	221,391	584,136
health practitioners	126,539	5,051,200	91,768	29,638	179,748	31,464	291,112	2,597,497
Medical and diagnostic laboratories	26,246	1,206,377	24,906	5,284	53,333	5,370	240,594	451,393
Home health care services	187,757	3,829,796	47,858	18,201	35,900	13,819	468,054	2,012,025
Other ambulatory health care services (including ambulance services, blood and organ banks)	19,454	856,862	14,516	* 4,127	16,511	6,976	143,926	284,178
Hospitals	10,372	558,948	7,013	* 784	* 10,106	* 1,717	* 64,597	349,246
Nursing and residential care facilities	42,208	3,155,366	84,224	13,880	159,871	108,812	708,860	630,327
Social assistance	111,604	2,988,411	60,436	2,590	135,149	12,075	223,296	1,569,040
Child day care services	679,496	11,508,956	303,716	27,471	178,781	75,010	831,601	5,461,012
Arts, entertainment, and recreation	840,486	25,748,112	742,307	105,258	563,849	89,512	702,841	12,551,749
Performing arts, spectator sports, and related industries	667,004	20,485,270	612,819	81,760	304,495	60,588	418,482	10,997,067
Museums, historical sites, and similar institutions	* 1,028	* 50,327	* 276	* 72	* 6,772	* 13	* 949	* 28,552
Amusement, gambling, and recreation industries	172,454	5,212,516	129,212	23,426	252,581	28,911	283,409	1,526,130
Accommodation, food services, and drinking places	270,338	32,951,914	846,781	260,709	2,216,026	462,052	5,070,156	3,944,725
Accommodation	25,815	3,640,560	281,469	13,510	190,420	181,199	410,302	686,142
Travel accommodation (including hotels, motels, and bed and breakfast inns)	15,774	2,734,418	224,711	13,018	82,769	166,042	298,479	534,678
RV (recreational vehicle) parks and recreational camps	5,950	571,095	37,779	* 244	* 80,382	11,681	69,461	75,531
Rooming and boarding houses	4,090	335,047	18,980	* 248	* 27,269	* 3,475	* 42,362	75,934
Food services and drinking places	244,523	29,311,354	565,312	247,199	2,025,606	280,853	4,659,855	3,258,583
Other services	1,875,687	71,197,612	1,816,699	623,827	4,826,981	652,549	5,553,274	21,745,190
Auto repair and maintenance	251,094	19,359,248	625,607	157,995	684,940	294,689	2,009,910	3,175,658
Automotive mechanical and electrical repair and maintenance	130,924	9,854,183	339,554	47,494	346,052	178,890	958,175	1,507,387
Automotive body shops	59,269	5,902,853	158,525	71,316	201,578	67,740	700,010	1,017,755
Other auto repair and maintenance (including oil change, lubrication and car washes)	60,901	3,602,213	127,529	39,186	137,310	48,058	351,725	650,516
Miscellaneous repairs	309,113	13,857,046	328,035	75,108	245,801	100,342	1,030,303	3,531,687
Personal and laundry services	1,315,480	37,981,318	863,056	390,724	3,896,241	257,518	2,513,061	15,037,845
Religious, grantmaking, civic, professional and similar organizations	199,382	3,084,125	33,562	* 4,221	24,610	* 647	* 25,908	1,921,225
Unclassified establishments	389,936	4,694,275	62,000	26,543	36,936	34,407	106,879	2,776,475

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

**Data combined to prevent disclosure of taxpayer information.

[1] Excludes amounts reported on Schedule C-EZ filed by certain small businesses not required to itemize their business deductions. Therefore, totals shown may be slightly understated.

[2] Includes depreciation claimed on Form 8829, *Expenses for Business Use of Your Home*.

[3] Interest paid is the sum of mortgage interest and other interest paid on business indebtedness.

[4] Payroll is the sum of salaries and wages plus the cost of labor reported as part of cost of sales and operations.

[5] Less than \$500.

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

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	All nonfarm industries	Agriculture, forestry, hunting, and fishing					
		Total	Animal production (including breeding of cats and dogs)	Forestry and logging (including forest nurseries, timber tracts)	Fishing	Hunting and trapping	Support activities for agriculture and forestry
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	22,614,483	307,287	51,404	51,577	64,343	12,353	127,610
Business receipts, total [1]	1,317,443,005	17,590,294	1,029,452	5,188,799	2,535,299	191,555	8,645,191
Income from sales and operations [1]	1,295,786,783	17,190,842	962,700	5,120,218	2,425,967	185,895	8,496,061
Other business income	21,656,221	399,452	66,752	68,581	109,331	5,659	149,129
Business deductions, total [1,2]	1,053,705,955	17,170,571	1,594,845	5,036,388	2,090,180	214,629	8,234,529
Cost of sales and operations, total	434,868,323	5,370,685	235,514	1,400,383	337,822	15,671	3,381,294
Inventory, beginning of year	46,735,278	531,963	90,113	149,266	* 18,084	* 10,608	263,893
Cost of labor	31,282,105	295,276	* 32,131	136,281	* 6,744	* 77	120,044
Purchases	280,662,351	4,062,041	108,044	985,914	202,509	* 4,272	2,761,301
Materials and supplies	56,592,372	388,302	28,317	39,667	23,963	* 784	295,571
Other costs	66,776,845	667,834	58,182	247,048	103,816	* 5,048	253,740
Inventory, end of year	47,180,627	574,732	81,272	157,793	* 17,293	* 5,119	313,255
Advertising expenses	14,767,208	118,037	19,504	7,847	14,817	2,444	73,425
Car and truck expenses	85,054,914	1,060,209	112,097	338,121	166,492	13,685	429,813
Commissions	13,381,218	131,292	9,840	26,304	19,312	* 72	75,763
Contract labor	35,388,217	684,326	22,455	309,567	56,893	1,534	293,877
Depletion	1,423,771	1,029	* 2	* 679	0	* 6	* 343
Depreciation	41,446,328	1,850,012	233,173	598,895	360,528	37,200	620,217
Employee benefit programs	2,897,005	13,123	1,740	4,241	* 92	* 51	6,998
Insurance	18,308,063	400,081	27,111	182,346	42,443	4,486	143,695
Legal and professional services	11,108,794	159,265	72,053	19,548	19,821	2,113	45,731
Meals and entertainment deducted	7,335,934	60,995	6,099	9,213	24,552	2,534	18,598
Mortgage interest	6,481,051	99,578	17,628	32,131	29,265	* 5,031	15,523
Other interest paid on business indebtedness	8,181,013	188,309	12,957	78,623	38,813	9,130	48,786
Office expenses	12,827,294	53,737	6,789	8,737	12,346	2,927	22,938
Pension and profit-sharing plans	1,235,347	2,274	* 59	971	* 5	0	1,239
Rent paid on machinery and equipment	9,439,007	113,910	1,679	46,918	16,867	1,671	46,775
Rent paid on other business property	34,074,935	138,074	13,765	9,217	30,964	12,257	71,870
Repairs	15,463,698	717,848	25,787	336,917	119,569	10,903	224,672
Supplies	31,831,493	498,944	58,820	79,823	147,387	19,275	193,639
Salaries and wages	79,148,496	1,385,767	21,528	369,215	22,315	5,759	966,949
Taxes paid	18,066,560	279,383	14,633	69,133	34,172	7,956	153,489
Travel	12,740,944	175,262	27,148	21,303	32,261	993	93,557
Utilities	24,674,687	196,898	24,288	44,210	40,309	5,553	82,537
Other business deductions	118,421,657	3,360,239	606,195	1,029,495	503,357	51,985	1,169,206
Home office business deductions, total	11,504,196	74,041	21,937	5,145	15,578	* 520	30,861
Depreciation, Form 8829 [3]	1,476,008	12,179	6,520	1,256	* 1,933	0	2,469
Casualty loss, Form 8829 [3]	69,203	* 804	0	* 804	0	0	0
Excess—casualty depreciations, Form 8829 [3]	1,334,666	20,682	* 14,529	* 2,084	* 1,301	0	* 2,768
Net income less deficit [1,2]	264,508,362	447,873	-553,558	158,618	445,556	-22,976	420,233
Net income [1,2]	325,265,465	2,541,190	114,828	501,568	775,066	35,534	1,114,194
Deficit [2]	-60,757,103	-2,093,316	-668,386	-342,950	-329,510	-58,510	-693,960

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	All nonfarm industries	Agriculture, forestry, hunting, and fishing					
		Total	Animal production (including breeding of cats and dogs)	Forestry and logging (including forest nurseries, timber tracts)	Fishing	Hunting and trapping	Support activities for agriculture and forestry
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
BUSINESSES WITH NET INCOME							
Number of returns [1]	16,434,155	169,725	9,492	30,408	39,803	5,045	84,977
Business receipts, total [1]	1,062,581,267	12,627,490	601,772	3,649,913	1,950,297	117,133	6,308,374
Income from sales and operations [1]	1,045,907,267	12,385,393	560,996	3,631,497	1,859,732	115,903	6,217,265
Other business income	16,673,999	242,096	40,777	18,416	90,565	* 1,229	91,108
Business deductions, total [1,2]	737,385,341	10,087,230	486,944	3,148,353	1,176,154	81,599	5,194,180
Cost of sales and operations, total	297,184,637	3,681,560	171,551	1,024,035	231,235	* 1,614	2,253,125
Inventory, beginning of year	24,378,387	172,174	* 41,723	57,936	* 756	* 26	71,733
Cost of labor	24,860,379	240,652	* 27,655	107,440	* 5,827	* 66	99,664
Purchases	188,921,767	2,835,911	* 95,464	754,926	* 200,352	* 682	1,784,487
Materials and supplies	44,233,788	336,830	* 23,964	14,276	* 18,631	* 773	279,186
Other costs	39,792,756	262,432	* 24,473	131,204	* 5,669	* 227	100,859
Inventory, end of year	25,002,440	166,439	* 41,728	41,746	0	* 160	82,804
Advertising expenses	10,462,439	46,632	2,922	5,342	* 10,459	* 1,973	25,936
Car and truck expenses	62,065,820	627,690	27,168	239,940	80,333	* 2,385	277,864
Commissions	9,899,617	108,956	* 1,432	* 23,422	* 13,013	0	71,089
Contract labor	27,966,856	376,794	* 371	185,398	* 38,561	* 111	152,353
Depletion	1,123,008	* 116	* 2	* 34	0	* 5	* 75
Depreciation	25,163,377	778,668	59,536	310,048	133,386	* 8,381	267,317
Employee benefit programs	2,254,853	8,013	* 10	3,339	* 26	0	4,637
Insurance	13,910,543	245,773	11,125	113,518	19,474	* 1,571	100,084
Legal and professional services	7,650,851	87,966	45,624	5,303	9,906	* 746	26,386
Meals and entertainment deducted	5,614,460	37,923	4,732	4,699	15,602	* 1,282	11,608
Mortgage interest	3,243,966	39,901	* 6,526	12,515	13,324	0	7,535
Other interest paid on business indebtedness	4,597,086	85,950	* 2,479	38,721	17,386	* 4,039	23,325
Office expenses	9,755,105	34,133	3,294	5,338	10,581	* 232	14,688
Pension and profit-sharing plans	1,091,753	1,501	* 1	* 830	0	0	* 670
Rent paid on machinery and equipment	6,906,737	63,578	* 585	13,756	* 11,479	* [4]	37,759
Rent paid on other business property	25,408,073	84,012	5,747	5,125	19,085	* 6,690	47,365
Repairs	10,643,860	380,837	* 2,975	187,945	60,031	* 4,534	125,352
Supplies	23,515,885	272,194	13,578	38,410	69,656	* 3,098	147,453
Salaries and wages	60,702,606	992,829	* 1,539	219,223	* 4,962	* 242	766,863
Taxes paid	13,187,204	180,065	3,105	37,197	19,991	* 4,602	115,171
Travel	9,244,605	71,732	5,316	13,822	18,278	* 373	33,942
Utilities	17,447,183	112,180	6,455	28,563	22,096	* 2,318	52,747
Other business deductions	76,250,540	1,697,821	107,967	623,481	341,432	36,201	588,739
Home office business deductions, total	8,537,108	37,606	* 860	4,160	* 11,704	* 329	20,553
Depreciation, Form 8829 [3]	994,862	2,743	* 156	* 463	* 1,280	0	844
Casualty loss, Form 8829 [3]	25,661	* 597	0	* 597	0	0	0
Excess—casualty depreciations, Form 8829 [3]	117,764	* 498	0	0	* 486	0	* 12
Net income [1,2]	325,265,465	2,541,190	114,828	501,568	775,066	35,534	1,114,194
Returns with Schedule C-EZ:							
Number of returns	4,354,979	34,176	* 700	3,283	6,005	* 903	23,284
Business receipts	31,874,908	195,397	* 2,539	21,149	28,030	* 4,718	138,961
Business deductions	3,635,804	37,254	* 2,045	* 7,405	* 4,198	* 872	22,733
Net income	28,239,105	158,144	* 494	* 13,744	* 23,831	* 3,846	116,228

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Mining						Utilities
	Total	Oil and gas extraction	Coal mining	Metal ore mining	Nonmetallic mineral mining and quarrying	Support activities for mining	Total
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	134,372	106,666	330	* 662	3,028	23,686	12,650
Business receipts, total [1]	17,653,003	13,944,820	354,224	* 57,369	652,198	2,644,392	321,981
Income from sales and operations [1]	16,987,113	13,329,803	349,729	* 57,334	648,204	2,602,043	316,927
Other business income	665,891	615,017	* 4,495	* 35	3,994	42,349	* 5,054
Business deductions, total [1,2]	14,749,829	11,862,861	369,884	* 66,260	625,019	1,825,805	292,086
Cost of sales and operations, total	3,249,483	2,386,330	* 217,016	* 49,280	229,428	367,430	111,812
Inventory, beginning of year	151,123	109,398	* 3,485	* 6,873	* 28,108	* 3,259	* 12,752
Cost of labor	140,580	28,340	* 28,905	* 5,549	34,575	43,210	* 1,744
Purchases	1,003,447	592,377	* 104,969	* 49,426	63,032	193,644	* 106,129
Materials and supplies	277,893	208,489	* 18,776	* 3,207	10,051	37,371	* 1,757
Other costs	1,873,966	1,573,470	* 64,337	0	141,876	94,284	* 2,144
Inventory, end of year	197,527	125,743	* 3,457	* 15,775	48,214	* 4,338	* 12,713
Advertising expenses	36,491	25,505	* 105	* 2	5,399	5,480	* 2,546
Car and truck expenses	383,597	177,668	* 1,717	* 1,108	2,629	200,474	19,630
Commissions	50,961	41,094	* 2,812	0	* 41	7,013	* 17
Contract labor	218,753	160,592	* 12,640	* 297	* 6,662	38,563	* 17,757
Depletion	1,314,777	1,281,721	* 8,190	* 2	13,199	11,664	* 828
Depreciation	1,481,030	1,135,259	23,399	* 3,231	117,263	201,878	24,285
Employee benefit programs	19,935	10,307	* 1,047	* 4	* 3,276	5,301	* 4,514
Insurance	166,735	72,741	3,101	* 177	8,190	82,526	3,143
Legal and professional services	148,411	119,869	1,989	* 228	3,754	22,571	4,623
Meals and entertainment deducted	33,373	19,884	68	* 4	179	13,237	1,637
Mortgage interest	39,897	19,984	* 161	0	* 17,400	2,353	* 292
Other interest paid on business indebtedness	236,987	172,325	3,822	* 932	23,750	36,158	7,714
Office expenses	50,290	35,374	507	* 10	2,090	12,308	2,102
Pension and profit-sharing plans	8,900	5,888	* 62	0	0	* 2,950	* 14
Rent paid on machinery and equipment	63,119	20,263	3,270	* 1,267	8,324	29,996	* 734
Rent paid on other business property	46,165	36,463	* 617	* 385	* 105	8,594	* 6,044
Repairs	227,549	145,541	3,777	* 44	15,973	62,214	5,362
Supplies	164,099	100,754	1,248	* 324	2,824	58,948	884
Salaries and wages	651,406	324,214	16,476	* 3,624	44,687	262,406	* 29,138
Taxes paid	487,756	416,290	5,254	* 658	10,415	55,139	2,958
Travel	88,009	48,479	* 267	* 73	725	38,464	3,581
Utilities	108,438	60,417	989	* 335	11,875	34,823	6,773
Other business deductions	5,431,583	5,017,761	61,330	* 4,278	96,771	251,443	30,532
Home office business deductions, total	19,952	11,550	0	0	* 58	8,345	* 836
Depreciation, Form 8829 [3]	2,000	555	0	0	* 2	* 1,442	* 143
Casualty loss, Form 8829 [3]	0	0	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	651	484	0	0	0	* 168	* 1,181
Net income less deficit [1,2]	2,912,813	2,090,823	-15,660	* -8,891	27,179	819,362	30,470
Net income [1,2]	4,411,402	3,358,158	12,492	0	97,440	943,313	61,210
Deficit [2]	-1,498,589	-1,267,335	-28,152	* -8,891	-70,261	-123,951	-30,740

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Mining						Utilities
	Total	Oil and gas extraction	Coal mining	Metal ore mining	Nonmetallic mineral mining and quarrying	Support activities for mining	Total
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
BUSINESSES WITH NET INCOME							
Number of returns [1]	104,824	80,470	295	0	2,447	21,612	8,895
Business receipts, total [1]	13,896,902	11,084,680	86,755	0	529,721	2,195,745	208,130
Income from sales and operations [1]	13,333,346	10,556,900	85,281	0	527,116	2,164,048	209,075
Other business income	563,556	527,780	* 1,474	0	* 2,605	31,697	* -945
Business deductions, total [1,2]	9,490,969	7,731,992	74,263	0	432,282	1,252,432	146,920
Cost of sales and operations, total	2,056,151	1,675,330	* 3,839	0	182,670	194,311	* 95,749
Inventory, beginning of year	80,135	57,324	0	0	* 19,700	* 3,111	0
Cost of labor	88,959	26,378	0	0	* 30,784	* 31,797	* 1,744
Purchases	703,862	540,523	* 3,839	0	57,709	101,791	* 90,289
Materials and supplies	234,988	196,121	0	0	* 5,785	33,083	* 1,725
Other costs	1,039,085	918,878	0	0	* 91,792	28,414	* 1,991
Inventory, end of year	90,879	63,894	0	0	* 23,100	* 3,885	0
Advertising expenses	33,479	23,481	* 6	0	* 5,195	4,797	* 35
Car and truck expenses	336,069	143,732	* 1,444	0	* 2,543	188,350	* 2,901
Commissions	29,510	23,232	* 130	0	* 1	6,147	* 10
Contract labor	179,217	132,275	* 12,491	0	* 2,865	31,586	* 17,748
Depletion	1,038,515	1,018,229	* 3,772	0	6,135	10,379	* 739
Depreciation	910,113	705,780	* 3,534	0	70,307	130,491	* 964
Employee benefit programs	13,954	6,828	* 11	0	* 3,066	4,049	* 341
Insurance	131,348	56,854	* 380	0	4,768	69,347	* 999
Legal and professional services	79,914	68,689	* 363	0	847	10,015	* 2,288
Meals and entertainment deducted	28,029	16,662	* 3	0	* 104	11,260	* 100
Mortgage interest	18,922	8,584	0	0	* 8,574	* 1,763	* 51
Other interest paid on business indebtedness	78,826	59,902	* 199	0	* 9,998	8,727	* 118
Office expenses	37,208	25,939	* 270	0	1,540	9,459	* 130
Pension and profit-sharing plans	7,138	4,285	* 8	0	0	* 2,846	* 14
Rent paid on machinery and equipment	36,625	14,644	* 687	0	* 3,450	17,844	* 714
Rent paid on other business property	28,222	20,734	* 319	0	* 59	7,110	* 307
Repairs	180,782	115,384	* 812	0	10,143	54,444	* 972
Supplies	133,995	84,489	* 770	0	* 1,707	47,029	* 113
Salaries and wages	434,226	219,930	* 1,197	0	* 30,941	182,158	* 9,951
Taxes paid	355,330	314,545	* 1,489	0	6,869	32,427	* 1,771
Travel	60,798	33,792	* 60	0	* 155	26,791	* 1,524
Utilities	89,181	50,534	* 51	0	9,633	28,962	* 442
Other business deductions	3,152,536	2,880,511	* 42,411	0	70,655	158,959	* 4,579
Home office business deductions, total	18,815	11,103	0	0	* 58	7,654	* 29
Depreciation, Form 8829 [3]	1,723	446	0	0	* 2	* 1,275	* 4
Casualty loss, Form 8829 [3]	0	0	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	* 91	* 91	0	0	0	0	0
Net income [1,2]	4,411,402	3,358,158	12,492	0	97,440	943,313	61,210
Returns with Schedule C-EZ:							
Number of returns	19,350	15,259	* 32	0	* 292	* 3,766	* 5,489
Business receipts	195,713	76,276	* 220	0	* 35,171	* 84,047	* 25,396
Business deductions	22,132	16,587	* 19	0	0	* 5,527	* 4,331
Net income	173,581	59,689	* 201	0	* 35,171	* 78,520	* 21,065

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Construction					Manufacturing	
	Total	Residential building construction	Nonresidential building construction	Heavy and civil engineering construction	Specialty trade contractors	Total	Food manufacturing
	(15)	(16)	(17)	(18)	(19)	(20)	(21)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	2,821,745	417,996	78,938	61,515	2,263,296	340,237	35,793
Business receipts, total [1]	206,688,428	44,486,914	10,301,953	8,808,104	143,091,457	28,109,966	4,156,833
Income from sales and operations [1]	204,893,933	44,141,490	10,154,086	8,550,045	142,048,312	27,858,338	4,082,228
Other business income	1,794,496	345,424	147,867	258,059	1,043,144	251,627	74,604
Business deductions, total [1,2]	177,584,331	40,526,287	9,369,712	8,325,669	119,362,662	25,443,814	4,108,784
Cost of sales and operations, total	88,638,224	25,554,909	5,842,181	4,565,576	52,675,559	13,524,573	2,576,576
Inventory, beginning of year	8,747,651	5,191,942	246,974	1,704,778	1,603,958	1,770,942	418,183
Cost of labor	15,291,341	3,182,474	779,494	453,048	10,876,325	1,378,684	72,001
Purchases	25,808,246	7,124,590	1,274,570	2,085,121	15,323,965	8,322,231	1,990,421
Materials and supplies	29,769,186	7,406,669	1,625,190	820,995	19,916,332	2,116,057	235,369
Other costs	17,325,444	7,311,809	2,191,303	1,363,519	6,458,813	1,722,394	326,188
Inventory, end of year	8,303,644	4,662,576	275,349	1,861,885	1,503,834	1,785,735	465,587
Advertising expenses	1,191,850	162,283	48,132	63,914	917,521	294,799	71,632
Car and truck expenses	15,556,031	2,212,262	521,074	319,218	12,503,477	1,056,203	112,810
Commissions	684,047	281,923	12,831	28,016	361,278	130,305	17,456
Contract labor	12,780,317	2,598,479	456,972	308,468	9,416,399	372,652	17,572
Depletion	29,974	* 254	0	* 3,637	26,082	186	* 62
Depreciation	6,729,355	869,629	314,894	531,102	5,013,730	1,313,764	119,905
Employee benefit programs	314,650	25,708	14,040	22,835	252,067	100,274	10,459
Insurance	3,967,086	580,088	176,351	158,791	3,051,856	357,113	33,008
Legal and professional services	1,130,200	242,376	58,588	109,767	719,469	182,618	29,563
Meals and entertainment deducted	640,697	83,305	34,274	29,932	493,187	61,925	6,419
Mortgage interest	853,592	310,346	42,814	128,083	372,349	125,880	26,228
Other interest paid on business indebtedness	1,200,349	299,215	71,007	143,007	687,121	219,524	39,425
Office expenses	1,066,803	161,595	54,121	42,658	808,429	230,040	21,068
Pension and profit-sharing plans	44,896	7,687	2,564	4,824	29,820	18,556	1,239
Rent paid on machinery and equipment	1,342,334	197,017	69,575	81,422	994,320	179,108	25,258
Rent paid on other business property	1,380,449	190,671	66,624	47,951	1,075,204	851,786	103,183
Repairs	2,118,446	246,811	72,468	169,627	1,629,539	344,189	67,635
Supplies	8,065,637	1,375,896	228,295	169,950	6,291,496	808,771	106,298
Salaries and wages	9,202,744	1,255,832	380,416	413,503	7,152,993	2,100,981	283,940
Taxes paid	2,091,781	348,609	93,156	123,498	1,526,518	455,053	71,816
Travel	874,035	84,677	70,179	59,446	659,733	176,162	24,962
Utilities	2,454,458	397,831	73,002	80,582	1,903,043	627,410	92,097
Other business deductions	13,518,065	2,733,892	629,818	693,181	9,461,174	1,734,215	238,136
Home office business deductions, total	1,350,582	245,530	30,096	23,723	1,051,233	133,102	* 2,632
Depreciation, Form 8829 [3]	138,064	23,699	6,166	3,085	105,114	22,107	* 1,218
Casualty loss, Form 8829 [3]	10,104	* 156	0	0	9,948	* 1,770	* 130
Excess—casualty depreciations, Form 8829 [3]	86,260	3,789	* 8,488	* 1,774	72,209	18,488	* 1,472
Net income less deficit [1,2]	29,153,787	3,988,593	939,204	485,373	23,740,617	2,694,049	50,186
Net income [1,2]	35,436,753	5,598,779	1,272,691	1,200,161	27,365,122	4,295,424	291,498
Deficit [2]	-6,282,965	-1,610,186	-333,487	-714,789	-3,624,504	-1,601,375	-241,312

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Construction					Manufacturing	
	Total	Residential building construction	Nonresidential building construction	Heavy and civil engineering construction	Specialty trade contractors	Total	Food manufacturing
	(15)	(16)	(17)	(18)	(19)	(20)	(21)
BUSINESSES WITH NET INCOME							
Number of returns [1]	2,304,865	332,398	67,760	45,525	1,859,182	208,296	20,469
Business receipts, total [1]	172,740,182	33,758,359	8,452,764	5,788,181	124,740,879	22,108,550	2,926,311
Income from sales and operations [1]	171,309,443	33,533,250	8,322,408	5,618,485	123,835,300	21,929,531	2,887,484
Other business income	1,430,739	225,109	130,355	169,696	905,578	179,019	38,827
Business deductions, total [1,2]	137,309,040	28,165,248	7,180,073	4,587,466	97,376,253	17,814,931	2,634,812
Cost of sales and operations, total	67,705,684	17,190,527	4,391,256	2,286,028	43,837,873	10,159,548	1,872,942
Inventory, beginning of year	3,470,720	1,911,278	137,926	552,666	868,850	1,117,805	212,802
Cost of labor	12,622,244	2,570,037	615,875	306,704	9,129,628	960,717	30,144
Purchases	18,864,892	4,405,536	857,585	656,230	12,945,541	6,180,475	1,538,716
Materials and supplies	24,115,257	5,574,352	1,229,842	589,897	16,721,166	1,635,710	124,913
Other costs	11,983,714	4,392,112	1,703,749	809,113	5,078,740	1,265,713	194,279
Inventory, end of year	3,351,143	1,662,787	153,721	628,582	906,052	1,000,873	227,912
Advertising expenses	912,428	110,609	41,852	51,382	708,584	163,196	20,091
Car and truck expenses	12,555,778	1,745,235	443,244	241,058	10,126,241	665,098	58,285
Commissions	486,324	170,221	7,241	14,717	294,144	93,153	9,272
Contract labor	10,871,386	2,110,080	399,338	197,096	8,164,873	246,560	11,718
Depletion	29,755	* 64	0	* 3,625	26,067	* 71	0
Depreciation	4,935,849	640,154	213,542	357,054	3,725,099	727,356	44,160
Employee benefit programs	230,025	15,448	11,089	6,596	196,892	68,916	7,999
Insurance	3,133,598	443,030	127,135	115,960	2,447,472	258,906	17,565
Legal and professional services	784,145	176,985	36,731	48,707	521,722	95,121	13,378
Meals and entertainment deducted	517,919	67,172	31,939	23,517	395,290	41,007	3,193
Mortgage interest	422,181	106,482	22,814	25,453	267,431	49,026	7,977
Other interest paid on business indebtedness	785,144	166,845	41,546	72,343	504,410	118,275	10,769
Office expenses	821,189	114,061	42,543	31,024	633,561	144,426	11,318
Pension and profit-sharing plans	39,817	6,753	2,473	4,708	25,883	13,746	1,121
Rent paid on machinery and equipment	983,196	139,708	45,670	47,615	750,202	120,550	22,147
Rent paid on other business property	1,071,357	151,414	59,950	32,697	827,296	534,201	43,290
Repairs	1,529,793	149,035	56,528	113,254	1,210,976	232,151	35,225
Supplies	6,647,762	1,100,725	199,420	133,943	5,213,674	547,152	58,959
Salaries and wages	7,088,594	917,033	322,035	233,399	5,616,127	1,451,325	181,981
Taxes paid	1,589,495	248,581	71,606	66,036	1,203,271	334,966	54,421
Travel	676,101	59,427	60,509	43,233	512,932	105,176	7,829
Utilities	1,924,938	304,195	61,135	53,112	1,506,496	401,017	39,564
Other business deductions	10,100,933	1,756,616	455,683	364,079	7,524,556	1,116,884	91,709
Home office business deductions, total	1,111,082	215,384	28,554	17,870	849,275	82,480	* 492
Depreciation, Form 8829 [3]	105,754	20,975	6,107	2,019	76,654	10,547	0
Casualty loss, Form 8829 [3]	* 7,345	* 156	0	0	* 7,189	* 797	* 130
Excess—casualty depreciations, Form 8829 [3]	15,917	* 300	* 8,373	* 114	7,130	* 64	* 64
Net income [1,2]	35,436,753	5,598,779	1,272,691	1,200,161	27,365,122	4,295,424	291,498
Returns with Schedule C-EZ:							
Number of returns	467,419	60,599	9,723	4,904	392,194	47,428	8,689
Business receipts	3,434,948	484,207	102,686	42,869	2,805,186	299,395	66,556
Business deductions	357,727	59,462	* 6,239	* 2,961	289,065	44,622	* 9,407
Net income	3,077,221	424,745	96,446	39,908	2,516,121	254,773	57,149

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Manufacturing—continued						
	Textile and textile product mills	Apparel	Leather and allied products	Wood products	Paper products	Printing and related support activities	Petroleum and coal products
	(22)	(23)	(24)	(25)	(26)	(27)	(28)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	5,026	19,905	* 3,783	32,965	* 709	36,181	468
Business receipts, total [1]	342,315	875,515	* 61,881	2,332,029	* 28,050	2,566,657	* 99,206
Income from sales and operations [1]	341,071	872,644	* 54,054	2,314,915	* 25,849	2,549,730	* 98,660
Other business income	* 1,244	* 2,871	* 7,827	17,114	* 2,201	16,928	* 546
Business deductions, total [1,2]	355,623	815,316	* 71,067	2,173,480	* 35,873	2,255,655	93,290
Cost of sales and operations, total	216,386	347,348	* 42,482	1,183,084	* 10,291	1,050,860	* 85,584
Inventory, beginning of year	* 9,708	67,720	* 38,924	140,145	0	32,799	* 7
Cost of labor	* 72,808	* 70,133	* 6,134	116,568	0	70,779	* 435
Purchases	* 70,669	208,164	* 23,427	644,242	* 10,291	603,608	* 79,026
Materials and supplies	* 46,072	38,603	* 11,404	336,004	0	181,640	0
Other costs	* 26,371	43,146	* 597	94,646	0	191,382	* 6,803
Inventory, end of year	* 9,242	80,420	* 38,005	148,521	0	29,347	* 687
Advertising expenses	* 5,048	7,683	* 2,051	14,770	* 2,257	41,270	* 101
Car and truck expenses	9,961	31,341	* 8,721	76,016	* 2,527	116,691	* 65
Commissions	* 86	* 3,900	* 539	14,923	0	12,346	* 861
Contract labor	* 289	18,454	0	14,628	* 3,434	32,324	* 60
Depletion	0	0	0	* 26	0	0	* 26
Depreciation	27,512	24,311	* 1,007	115,993	* 28	128,373	* 1,410
Employee benefit programs	* 700	* 1,165	0	6,449	0	6,502	* 3
Insurance	8,384	11,906	* 477	30,834	* 318	32,450	* 499
Legal and professional services	1,516	7,710	* 378	14,091	* 2	11,511	* 66
Meals and entertainment deducted	336	1,876	* 1,870	1,174	* 156	6,266	* 58
Mortgage interest	* 898	* 38	* 6	13,202	0	* 14,512	* 55
Other interest paid on business indebtedness	* 4,459	4,292	* 710	14,445	0	23,604	* 253
Office expenses	1,662	10,336	* 683	11,272	* 164	43,701	* 63
Pension and profit-sharing plans	* 78	* 48	0	* 1,079	0	* 724	* 16
Rent paid on machinery and equipment	* 1,513	7,911	0	15,203	* 372	11,244	0
Rent paid on other business property	* 9,729	66,222	0	50,554	0	129,911	* 64
Repairs	4,215	8,022	* 859	66,079	* 5	26,887	* 144
Supplies	6,658	34,009	* 1,068	60,754	* 947	60,954	* 16
Salaries and wages	* 7,442	88,895	* 3,786	198,355	* 2,720	208,448	* 854
Taxes paid	10,455	15,696	* 131	38,956	* 36	38,816	* 103
Travel	* 841	3,454	* 1,401	8,563	* 888	15,272	* 238
Utilities	10,718	25,798	* 1,613	54,397	* 182	82,164	* 65
Other business deductions	21,495	74,259	* 3,161	150,323	* 11,548	149,322	* 2,637
Home office business deductions, total	* 2,775	16,017	* 125	16,378	0	10,874	0
Depreciation, Form 8829 [3]	* 731	* 3,222	0	* 2,925	0	* 1,517	0
Casualty loss, Form 8829 [3]	0	0	0	0	0	* 27	0
Excess—casualty depreciations, Form 8829 [3]	* [4]	* 3,804	0	* 1,687	0	* 1,401	0
Net income less deficit [1,2]	-13,308	60,430	* -9,186	160,722	* -7,824	312,791	5,916
Net income [1,2]	33,604	120,580	* 16,942	276,806	* 2,020	437,018	* 7,200
Deficit [2]	-46,912	-60,150	* -26,128	-116,084	* -9,844	-124,227	* -1,284

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Manufacturing—continued						
	Textile and textile product mills	Apparel	Leather and allied products	Wood products	Paper products	Printing and related support activities	Petroleum and coal products
	(22)	(23)	(24)	(25)	(26)	(27)	(28)
BUSINESSES WITH NET INCOME							
Number of returns [1]	1,886	10,701	* 2,697	20,818	* 8	21,510	* 444
Business receipts, total [1]	179,979	669,070	* 22,869	1,914,912	* 2,121	1,968,698	* 99,056
Income from sales and operations [1]	* 179,404	667,226	* 15,903	1,900,793	* 2,121	1,953,271	* 98,509
Other business income	* 574	* 1,844	* 6,966	14,120	0	15,427	* 546
Business deductions, total [1,2]	* 146,374	548,490	* 5,927	1,638,107	* 101	1,531,680	* 91,856
Cost of sales and operations, total	* 96,521	204,700	* 2,023	931,614	0	743,796	* 85,578
Inventory, beginning of year	* 9,007	* 34,191	0	94,178	0	21,729	* 7
Cost of labor	* 5,870	* 62,855	0	* 87,832	0	* 30,211	* 435
Purchases	* 66,192	* 102,390	0	476,980	0	419,191	* 79,020
Materials and supplies	* 8,561	* 11,715	* 2,023	296,831	0	* 115,182	0
Other costs	* 15,386	* 33,499	0	55,067	0	177,298	* 6,803
Inventory, end of year	* 8,495	* 39,951	0	79,274	0	19,815	* 687
Advertising expenses	* 5,008	2,493	0	11,867	* [4]	27,065	* 101
Car and truck expenses	* 3,808	21,988	* 2,200	53,831	0	65,950	* 46
Commissions	* 40	* 657	0	* 13,401	0	* 6,750	* 861
Contract labor	* 38	* 17,247	0	12,497	0	18,072	* 60
Depletion	0	0	0	0	0	0	* 6
Depreciation	* 9,411	10,092	* 185	53,212	0	75,386	* 708
Employee benefit programs	* 678	* 113	0	* 2,759	0	* 2,321	* 3
Insurance	* 469	10,535	0	22,674	0	26,459	* 480
Legal and professional services	* 670	3,863	0	9,418	0	9,102	* 50
Meals and entertainment deducted	* 98	598	0	* 484	* 5	5,403	* 58
Mortgage interest	* 62	* 8	0	* 5,549	0	* 10,989	* 55
Other interest paid on business indebtedness	* 166	* 2,551	0	9,213	0	20,547	* 253
Office expenses	* 1,036	8,883	* 104	6,604	* 9	20,900	* 59
Pension and profit-sharing plans	* 73	* 48	0	* 619	0	* 600	* 16
Rent paid on machinery and equipment	* 157	* 3,999	0	* 13,940	0	6,936	0
Rent paid on other business property	* 128	49,316	0	41,295	0	68,005	* 64
Repairs	* 1,109	7,498	0	58,564	0	21,510	* 144
Supplies	* 1,628	31,106	* 525	44,433	* 6	44,015	* 16
Salaries and wages	* 5,217	* 76,329	0	146,888	0	161,055	* 854
Taxes paid	* 6,177	14,060	* 117	28,690	0	26,627	* 95
Travel	* 210	* 890	0	4,676	* 80	12,788	* 236
Utilities	* 1,233	20,130	* 205	38,173	0	50,631	* 58
Other business deductions	* 7,196	45,637	* 445	119,420	0	99,205	* 2,003
Home office business deductions, total	* 2,774	* 11,120	* 125	* 6,352	0	* 6,940	0
Depreciation, Form 8829 [3]	* 731	* 1,631	0	* 1,430	0	* 792	0
Casualty loss, Form 8829 [3]	0	0	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	0	0	0	0	0	0	0
Net income [1,2]	33,604	120,580	* 16,942	276,806	* 2,020	437,018	* 7,200
Returns with Schedule C-EZ:							
Number of returns	* 530	* 4,259	* 1,024	* 3,420	0	* 1,992	* 138
Business receipts	* 3,880	* 35,634	* 10,593	* 26,646	0	* 14,225	* 232
Business deductions	* 2,469	* 4,629	0	* 1,934	0	* 627	* 51
Net income	* 1,411	* 31,005	* 10,593	* 24,713	0	* 13,598	* 180

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Manufacturing—continued						
	Chemical manufacturing	Plastics, rubber, clay, refractory, and glass products	Nonmetallic mineral products	Primary metal industries	Fabricated metal products	Machinery	Computer and electronic products
	(29)	(30)	(31)	(32)	(33)	(34)	(35)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	11,569	11,868	3,271	4,879	28,335	23,019	13,545
Business receipts, total [1]	1,081,306	378,462	713,751	602,321	3,734,667	3,051,994	413,813
Income from sales and operations [1]	1,079,816	376,974	712,554	581,658	3,675,190	3,044,819	411,434
Other business income	1,490	* 1,488	* 1,196	* 20,663	59,477	7,175	* 2,379
Business deductions, total [1,2]	1,120,858	400,579	627,292	589,136	3,337,903	2,591,394	283,844
Cost of sales and operations, total	689,093	205,099	318,576	347,610	1,839,711	1,315,182	104,687
Inventory, beginning of year	170,053	34,424	* 24,869	* 10,839	136,026	200,589	* 28,762
Cost of labor	* 2,909	* 14,398	* 3,933	* 64,216	236,780	151,824	* 9,347
Purchases	456,652	168,514	* 140,891	* 234,062	1,044,733	644,664	71,776
Materials and supplies	54,301	11,377	* 46,380	* 24,740	324,226	173,538	* 6,087
Other costs	42,829	11,852	* 130,552	* 22,609	262,359	270,096	* 17,809
Inventory, end of year	37,650	35,466	* 28,049	* 8,855	164,413	125,529	* 29,094
Advertising expenses	9,159	2,270	3,744	2,697	19,300	19,033	6,149
Car and truck expenses	28,141	19,857	* 10,535	* 11,469	103,828	84,620	46,735
Commissions	5,226	* 883	* 581	* 5,650	11,948	10,615	* 360
Contract labor	33,753	* 1,281	* 13,655	* 3,988	27,595	41,079	* 7,615
Depletion	0	* 8	* [4]	0	0	0	0
Depreciation	53,927	23,225	39,461	19,351	204,392	227,077	13,216
Employee benefit programs	5,089	* 2,654	* 9,919	* 2,118	17,893	11,512	* 491
Insurance	15,022	5,833	15,316	10,917	44,000	51,491	* 3,633
Legal and professional services	7,908	2,326	2,615	3,944	19,551	15,522	1,076
Meals and entertainment deducted	1,708	1,585	* 2,080	* 1,150	7,558	6,873	1,486
Mortgage interest	* 6,024	* 1,058	* 8,150	0	18,974	7,385	* 4,750
Other interest paid on business indebtedness	5,878	4,189	* 1,295	* 10,804	30,855	27,145	* 3,468
Office expenses	14,924	1,195	1,962	4,432	34,931	21,411	7,160
Pension and profit-sharing plans	* 1,355	* 301	0	* 623	3,428	3,755	* 1
Rent paid on machinery and equipment	12,197	3,386	* 842	* 15,949	10,699	30,325	* 2,551
Rent paid on other business property	14,277	7,402	* 885	* 24,997	99,360	75,824	* 5,930
Repairs	11,142	1,090	16,599	5,898	39,095	33,586	2,759
Supplies	15,380	9,896	15,093	5,401	90,974	85,566	9,465
Salaries and wages	101,502	51,227	74,165	* 56,804	304,827	257,936	* 13,581
Taxes paid	13,367	8,643	13,281	8,453	66,566	44,839	5,024
Travel	11,606	2,989	4,806	* 2,711	11,873	12,225	2,002
Utilities	20,383	11,405	12,184	15,574	61,264	74,478	7,747
Other business deductions	41,191	28,785	60,876	28,594	253,926	112,461	27,739
Home office business deductions, total	* 1,137	* 2,888	* 673	0	* 9,688	15,911	* 6,221
Depreciation, Form 8829 [3]	* 255	* 1,455	* 80	0	* 1,881	* 2,798	* 418
Casualty loss, Form 8829 [3]	0	0	0	0	0	0	* 946
Excess—casualty depreciations, Form 8829 [3]	* 448	* 1,921	0	0	* 503	* 849	* 530
Net income less deficit [1,2]	-39,552	-21,828	86,459	12,522	397,452	460,528	133,222
Net income [1,2]	82,500	15,526	118,070	71,316	546,663	586,768	161,886
Deficit [2]	-122,052	-37,354	* -31,611	* -58,794	-149,211	-126,240	-28,664

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Manufacturing—continued						
	Chemical manufacturing	Plastics, rubber, clay, refractory, and glass products	Nonmetallic mineral products	Primary metal industries	Fabricated metal products	Machinery	Computer and electronic products
	(29)	(30)	(31)	(32)	(33)	(34)	(35)
BUSINESSES WITH NET INCOME							
Number of returns [1]	4,688	4,772	2,218	2,930	19,947	17,369	7,337
Business receipts, total [1]	878,102	182,931	650,077	528,845	3,015,826	2,590,381	300,139
Income from sales and operations [1]	877,844	182,931	649,558	508,734	2,969,264	2,583,964	300,138
Other business income	* 258	0	* 519	* 20,110	46,562	6,417	* 1
Business deductions, total [1,2]	795,602	167,405	532,007	457,529	2,469,155	2,003,613	138,254
Cost of sales and operations, total	600,341	* 142,715	* 296,476	* 297,925	1,380,851	1,124,019	* 56,575
Inventory, beginning of year	* 165,916	* 7,721	* 21,016	* 2,761	96,800	177,194	* 4,962
Cost of labor	* 386	* 5,196	* 3,681	* 53,369	163,068	129,216	* 2,937
Purchases	* 385,010	* 136,651	* 123,004	* 205,951	752,582	560,865	* 51,712
Materials and supplies	* 44,960	* 711	* 42,660	* 24,740	298,797	155,047	* 8
Other costs	* 27,176	* 5,273	* 130,221	* 13,054	191,405	202,832	* 2,823
Inventory, end of year	* 23,106	* 12,837	* 24,105	* 1,950	121,801	101,135	* 5,866
Advertising expenses	* 5,611	* 378	* 2,667	* 802	17,282	8,699	* 3,051
Car and truck expenses	15,646	* 2,152	* 9,284	* 8,584	72,009	70,583	* 20,601
Commissions	* 2,818	0	* 89	* 3,504	10,962	6,513	* 88
Contract labor	* 11,091	* 46	* 11,077	* 955	22,758	24,909	* 4,269
Depletion	0	0	0	0	0	0	0
Depreciation	3,395	* 2,610	* 21,153	* 12,946	131,491	127,923	* 1,485
Employee benefit programs	* 4,677	* 27	* 9,729	* 564	15,740	9,722	0
Insurance	7,532	* 429	* 12,900	* 9,601	37,010	41,592	* 1,295
Legal and professional services	2,019	* 542	* 1,886	* 922	12,903	9,149	* 365
Meals and entertainment deducted	1,062	* 3	* 1,973	* 288	5,309	4,637	* 1,036
Mortgage interest	0	0	* 6,875	0	* 2,638	* 3,794	0
Other interest paid on business indebtedness	* 4,147	* 1,437	* 1,198	* 2,518	20,347	15,301	0
Office expenses	8,768	* 220	* 1,559	* 2,795	21,033	13,851	* 4,378
Pension and profit-sharing plans	* 835	* 301	0	* 5	3,175	* 3,585	0
Rent paid on machinery and equipment	* 1,998	* 272	* 819	* 14,604	6,299	14,368	0
Rent paid on other business property	* 6,289	* 2,016	* 431	* 22,701	73,318	48,652	* 3,528
Repairs	* 6,420	* 506	* 13,111	* 4,029	20,444	21,688	* 732
Supplies	8,336	* 2	* 10,216	* 2,210	71,457	53,203	* 2,273
Salaries and wages	* 49,380	* 8,823	* 60,670	* 35,681	238,400	203,923	* 8,764
Taxes paid	5,840	* 948	* 10,727	* 5,371	55,434	36,757	* 3,648
Travel	8,677	* 137	* 4,383	* 470	9,387	8,872	* 1,714
Utilities	7,235	* 1,359	* 9,128	* 9,968	47,562	57,592	* 2,338
Other business deductions	31,073	* 1,040	* 44,983	21,085	180,282	75,875	* 17,624
Home office business deductions, total	* 946	* 340	* 673	0	* 7,396	* 12,858	* 4,489
Depreciation, Form 8829 [3]	* 130	0	* 80	0	* 86	* 1,949	0
Casualty loss, Form 8829 [3]	0	0	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	0	0	0	0	0	0	0
Net income [1,2]	82,500	15,526	118,070	71,316	546,663	586,768	161,886
Returns with Schedule C-EZ:							
Number of returns	* 1,986	* 3,818	0	0	6,416	* 2,266	* 755
Business receipts	* 2,929	* 10,847	0	0	36,379	* 29,269	* 1,764
Business deductions	* 1,468	* 1,103	0	0	* 5,666	* 5,544	0
Net income	* 1,460	* 9,744	0	0	30,713	* 23,725	* 1,764

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Manufacturing—continued					Wholesale trade (merchant wholesalers)	
	Electrical equipment, appliances, and components	Transportation equipment	Furniture and related products	Medical equipment and supplies	Other miscellaneous manufacturing	Total	Durable goods, including machinery, wood, metals, etc.
	(36)	(37)	(38)	(39)	(40)	(41)	(42)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	3,318	10,919	28,835	8,302	57,548	325,522	135,479
Business receipts, total [1]	500,680	936,764	2,486,626	646,131	3,100,965	52,343,754	23,705,289
Income from sales and operations [1]	498,333	934,255	2,483,431	644,386	3,076,336	51,870,334	23,440,747
Other business income	2,347	2,509	3,195	* 1,745	24,629	473,420	264,542
Business deductions, total [1,2]	435,343	937,420	1,854,469	545,107	2,811,381	48,251,387	22,096,926
Cost of sales and operations, total	290,383	466,316	827,273	233,258	1,374,775	35,656,760	16,708,637
Inventory, beginning of year	24,370	94,755	110,169	* 10,259	218,342	3,265,995	2,048,030
Cost of labor	* 19,027	141,834	138,608	* 918	186,033	636,810	305,852
Purchases	178,624	202,107	480,910	* 171,597	897,853	31,187,613	14,776,281
Materials and supplies	* 119,925	82,741	147,472	* 50,984	225,196	1,479,457	788,834
Other costs	* 4,421	65,070	60,572	* 12,395	132,696	2,469,734	979,645
Inventory, end of year	55,983	120,191	110,457	* 12,895	285,344	3,382,848	2,190,004
Advertising expenses	3,352	10,809	17,184	17,026	39,263	357,245	179,120
Car and truck expenses	6,181	75,195	148,024	33,270	130,216	1,497,711	613,789
Commissions	* 1,275	* 621	15,499	* 17,768	9,768	502,568	235,869
Contract labor	* 6,519	32,401	73,716	25,315	18,973	421,591	171,468
Depletion	0	0	* 65	0	* [4]	2,321	* 1,482
Depreciation	4,819	15,903	100,319	8,041	185,496	744,175	404,691
Employee benefit programs	* 2,003	2,025	* 4,427	4,722	12,144	95,971	39,196
Insurance	2,613	16,800	33,222	3,635	36,757	319,991	157,625
Legal and professional services	2,803	8,734	12,424	9,333	31,546	232,367	111,999
Meals and entertainment deducted	1,204	2,499	7,849	1,936	7,842	171,463	70,403
Mortgage interest	0	* 595	* 8,297	* 1,018	14,693	125,309	71,597
Other interest paid on business indebtedness	* 3,745	4,911	9,377	2,028	28,641	218,514	95,774
Office expenses	1,794	6,352	14,107	5,056	27,769	253,242	121,140
Pension and profit-sharing plans	* 633	* 333	* 2,194	* 710	2,038	17,711	10,249
Rent paid on machinery and equipment	* 10,655	6,196	5,862	* 7,667	11,277	138,173	51,925
Rent paid on other business property	4,976	40,522	80,349	19,780	117,823	721,644	323,153
Repairs	* 1,256	15,017	12,994	3,018	27,886	280,508	130,667
Supplies	2,936	63,069	103,903	22,208	114,176	624,316	282,302
Salaries and wages	31,955	69,381	107,387	45,805	191,973	1,565,891	722,086
Taxes paid	3,263	15,786	36,139	6,143	57,540	368,252	193,812
Travel	3,034	17,828	13,610	13,365	24,497	494,808	223,403
Utilities	20,165	13,190	53,481	10,292	60,214	490,620	208,845
Other business deductions	29,401	52,657	147,111	42,423	258,170	2,703,535	860,937
Home office business deductions, total	0	* 280	18,216	* 9,486	19,800	222,432	100,034
Depreciation, Form 8829 [3]	0	* 211	* 2,202	* 1,769	* 1,425	22,532	10,175
Casualty loss, Form 8829 [3]	0	0	0	* 668	0	* 106	* 106
Excess—casualty depreciations, Form 8829 [3]	0	* 1,264	* 550	* 3	* 4,056	20,824	9,304
Net income less deficit [1,2]	65,337	4,255	632,157	101,023	302,745	4,118,498	1,620,013
Net income [1,2]	88,050	110,832	674,436	127,327	526,381	5,572,750	2,276,297
Deficit [2]	* -22,713	-106,577	-42,279	-26,303	-223,636	-1,454,253	-656,284

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Manufacturing—continued					Wholesale trade (merchant wholesalers)	
	Electrical equipment, appliances, and components	Transportation equipment	Furniture and related products	Medical equipment and supplies	Other miscellaneous manufacturing	Total	Durable goods, including machinery, wood, metals, etc.
	(36)	(37)	(38)	(39)	(40)	(41)	(42)
BUSINESSES WITH NET INCOME							
Number of returns [1]	3,260	5,763	22,732	6,714	32,034	205,647	86,599
Business receipts, total [1]	438,282	606,916	2,165,417	479,075	2,489,543	42,913,616	19,761,789
Income from sales and operations [1]	436,270	605,821	2,162,297	478,671	2,469,326	42,453,743	19,520,545
Other business income	* 2,012	* 1,094	* 3,120	* 404	20,216	459,873	241,244
Business deductions, total [1,2]	350,232	496,083	1,490,981	351,748	1,964,974	37,342,413	17,486,329
Cost of sales and operations, total	238,150	255,541	692,598	98,180	1,039,003	28,469,039	13,693,397
Inventory, beginning of year	* 13,822	* 33,414	85,115	* 7,857	129,314	2,172,934	1,351,165
Cost of labor	* 12,692	* 95,108	* 102,172	* 403	175,143	494,882	208,776
Purchases	* 126,814	* 91,591	387,044	* 48,588	628,174	24,885,126	12,191,052
Materials and supplies	* 118,764	* 35,099	146,765	* 47,214	161,721	1,085,728	623,129
Other costs	* 1,892	* 32,577	60,571	* 3,556	112,003	2,127,505	821,055
Inventory, end of year	* 35,834	* 32,248	89,068	* 9,438	167,352	2,297,137	1,501,780
Advertising expenses	* 1,748	* 4,901	15,853	* 4,192	31,384	221,108	107,690
Car and truck expenses	* 6,094	30,015	121,574	30,560	71,890	1,066,729	445,756
Commissions	* 655	* 620	15,484	* 15,278	6,163	413,828	193,312
Contract labor	* 6,044	* 30,728	38,143	21,542	15,365	288,507	110,137
Depletion	0	0	* 65	0	0	1,807	* 1,393
Depreciation	1,979	* 3,502	93,046	7,000	127,672	477,442	256,335
Employee benefit programs	* 934	* 1,229	* 1,381	* 4,415	6,627	78,556	31,297
Insurance	* 1,846	12,226	26,316	2,817	27,159	227,853	105,026
Legal and professional services	1,145	* 1,216	9,605	5,473	13,415	136,769	71,362
Meals and entertainment deducted	* 1,132	* 1,876	7,253	1,854	4,747	138,854	58,593
Mortgage interest	0	* 225	* 3,717	* 150	6,987	61,635	20,926
Other interest paid on business indebtedness	* 1,304	* 1,124	8,283	* 1,419	17,698	120,490	67,155
Office expenses	* 1,407	* 5,063	12,499	3,995	19,945	186,033	88,419
Pension and profit-sharing plans	* 409	* 31	* 1,166	* 708	* 1,052	16,776	10,106
Rent paid on machinery and equipment	* 9,479	* 2,335	5,642	* 7,658	9,896	96,910	26,444
Rent paid on other business property	* 3,414	* 16,698	57,301	17,138	80,617	518,098	220,299
Repairs	* 936	* 11,834	11,477	2,678	14,246	204,221	92,533
Supplies	* 2,853	* 50,360	71,656	18,850	75,048	484,325	229,999
Salaries and wages	* 24,547	* 17,783	* 60,918	33,583	136,528	1,149,524	529,922
Taxes paid	2,522	8,067	28,141	4,683	42,639	249,901	122,124
Travel	* 2,546	4,206	13,186	11,711	13,178	381,679	176,659
Utilities	* 19,757	* 6,548	41,274	8,421	39,842	346,168	149,572
Other business deductions	20,954	29,956	137,269	38,481	152,646	1,828,317	596,698
Home office business deductions, total	0	0	* 15,696	* 9,158	* 3,121	154,025	74,903
Depreciation, Form 8829 [3]	0	0	* 1,927	* 1,767	* 26	13,094	7,596
Casualty loss, Form 8829 [3]	0	0	0	* 668	0	0	0
Excess—casualty depreciations, Form 8829 [3]	0	0	0	0	0	3,447	* 1,354
Net income [1,2]	88,050	110,832	674,436	127,327	526,381	5,572,750	2,276,297
Returns with Schedule C-EZ:							
Number of returns	* 973	0	* 1,998	* 1,690	7,474	38,991	15,677
Business receipts	* 1,075	0	* 11,824	* 6,661	40,883	264,407	78,519
Business deductions	* 377	0	* 1,439	* 1,804	* 8,104	24,270	6,721
Net income	* 698	0	* 10,385	* 4,857	32,779	240,136	71,798

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Wholesale trade (merchant wholesalers)—continued		Retail trade				
	Nondurable goods, including food, fiber, chemicals, etc.	Wholesale electronic markets and agents and brokers	Total	Motor vehicle and parts dealers	Furniture and home furnishing stores	Electronic and appliance stores	Building material and garden equipment and supplies dealers
	(43)	(44)	(45)	(46)	(47)	(48)	(49)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	100,241	89,801	2,275,476	141,986	45,128	32,022	43,178
Business receipts, total [1]	22,368,567	6,269,898	196,844,560	39,539,674	4,331,050	4,836,187	8,367,667
Income from sales and operations [1]	22,259,382	6,170,206	194,721,473	39,177,142	4,292,281	4,773,219	8,301,860
Other business income	109,185	99,692	2,123,086	362,531	38,769	62,968	65,807
Business deductions, total [1,2]	20,920,500	5,233,961	188,900,346	38,827,723	3,976,737	4,490,041	7,661,063
Cost of sales and operations, total	15,626,127	3,321,995	132,845,871	31,162,759	2,220,682	2,820,506	5,260,086
Inventory, beginning of year	1,037,632	180,333	22,981,355	5,663,867	706,768	400,027	1,040,032
Cost of labor	285,608	45,350	1,822,356	288,426	150,578	222,924	189,968
Purchases	13,579,766	2,831,567	120,340,761	28,807,423	1,770,201	2,448,638	4,628,858
Materials and supplies	475,340	215,283	6,418,929	912,054	223,003	66,242	192,570
Other costs	1,223,583	266,505	4,578,925	1,189,642	74,491	83,868	318,792
Inventory, end of year	975,801	217,043	23,296,455	5,698,653	704,358	401,192	1,110,132
Advertising expenses	123,765	54,360	2,303,936	346,283	128,617	107,694	94,774
Car and truck expenses	515,872	368,049	6,265,499	672,072	147,153	143,682	176,899
Commissions	183,290	83,409	960,606	192,698	40,594	18,963	31,850
Contract labor	173,607	76,517	1,091,120	239,252	69,977	72,335	65,285
Depletion	* 839	* [4]	6,015	* 1,243	* 343	* 1	* 592
Depreciation	274,822	64,662	2,894,967	349,934	70,699	65,103	199,768
Employee benefit programs	26,473	30,302	251,915	38,527	9,608	18,209	26,972
Insurance	132,405	29,961	1,445,030	302,584	43,714	51,285	95,521
Legal and professional services	80,745	39,623	798,232	97,417	20,759	14,087	32,436
Meals and entertainment deducted	51,422	49,639	455,331	36,416	13,604	11,110	13,262
Mortgage interest	32,532	21,180	825,641	158,581	36,118	19,932	53,252
Other interest paid on business indebtedness	103,748	18,991	1,137,139	335,036	26,812	31,707	46,363
Office expenses	82,215	49,887	1,096,150	137,959	29,508	41,330	35,829
Pension and profit-sharing plans	5,006	2,456	67,500	2,019	* 775	* 415	* 3,560
Rent paid on machinery and equipment	56,970	29,279	705,954	50,516	29,017	47,314	26,769
Rent paid on other business property	290,702	107,789	6,150,702	607,096	312,776	135,706	111,089
Repairs	128,976	20,865	1,200,494	243,463	32,947	19,129	65,398
Supplies	291,256	50,758	2,597,189	325,970	41,654	96,776	78,305
Salaries and wages	683,160	160,644	8,398,223	1,280,508	210,063	334,248	546,661
Taxes paid	151,196	23,243	2,814,867	451,942	72,892	102,885	133,242
Travel	141,869	129,536	1,102,714	81,710	32,483	32,834	18,041
Utilities	191,373	90,402	3,597,850	382,906	116,527	106,454	162,203
Other business deductions	1,497,740	344,858	8,948,051	1,294,779	253,722	169,978	368,288
Home office business deductions, total	66,139	56,259	702,195	11,055	14,185	27,809	9,098
Depreciation, Form 8829 [3]	7,211	5,146	106,931	1,534	* 5,134	2,710	* 213
Casualty loss, Form 8829 [3]	0	0	* 4,516	* 39	0	0	0
Excess—casualty depreciations, Form 8829 [3]	8,657	* 2,862	181,093	2,355	* 2,812	* 2,188	* 1,012
Net income less deficit [1,2]	1,461,836	1,036,649	8,012,708	733,028	355,250	346,146	714,661
Net income [1,2]	1,994,639	1,301,815	16,853,669	1,800,047	536,726	467,415	861,849
Deficit [2]	-532,802	-265,166	-8,840,961	-1,067,018	-181,476	-121,268	-147,188

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Wholesale trade (merchant wholesalers)—continued		Retail trade				
	Nondurable goods, including food, fiber, chemicals, etc.	Wholesale electronic markets and agents and brokers	Total	Motor vehicle and parts dealers	Furniture and home furnishing stores	Electronic and appliance stores	Building material and garden equipment and supplies dealers
	(43)	(44)	(45)	(46)	(47)	(48)	(49)
BUSINESSES WITH NET INCOME							
Number of returns [1]	62,503	56,546	1,178,928	95,809	31,080	21,707	29,288
Business receipts, total [1]	17,868,712	5,283,115	149,566,389	27,100,408	3,078,483	4,090,173	7,011,290
Income from sales and operations [1]	17,734,303	5,198,894	148,063,938	26,926,679	3,070,933	4,039,508	6,959,982
Other business income	134,409	84,221	1,502,451	173,729	7,550	50,664	51,308
Business deductions, total [1,2]	15,874,073	3,982,011	132,720,763	25,304,353	2,541,757	3,622,758	6,149,696
Cost of sales and operations, total	12,105,272	2,670,370	97,502,301	20,715,047	1,434,468	2,393,066	4,327,633
Inventory, beginning of year	708,712	113,056	13,153,044	2,970,585	396,850	272,294	692,592
Cost of labor	250,780	* 35,326	1,380,543	140,847	114,984	222,840	128,309
Purchases	10,481,909	2,212,165	88,815,361	19,598,977	1,125,537	2,035,150	3,828,553
Materials and supplies	278,543	184,056	4,335,265	341,390	171,088	55,575	174,460
Other costs	1,040,603	265,847	3,535,283	784,688	42,929	82,526	257,556
Inventory, end of year	655,276	140,080	13,717,195	3,121,440	416,920	275,320	753,837
Advertising expenses	71,106	42,312	1,310,156	204,332	85,731	69,358	76,363
Car and truck expenses	355,332	265,641	3,618,805	445,935	113,873	103,316	128,706
Commissions	154,206	66,309	622,853	122,095	26,919	* 11,349	26,971
Contract labor	130,232	48,138	686,544	154,106	42,081	46,472	63,286
Depletion	* 415	0	2,863	* 8	* 140	* 1	* 592
Depreciation	188,558	32,548	1,562,400	189,161	50,647	50,357	149,148
Employee benefit programs	20,494	26,765	178,595	14,064	4,783	15,618	25,037
Insurance	100,032	22,794	967,694	175,307	29,250	39,594	64,095
Legal and professional services	50,302	15,105	480,651	54,885	11,801	8,639	22,274
Meals and entertainment deducted	43,336	36,925	269,654	28,001	8,690	6,687	12,128
Mortgage interest	20,203	20,506	449,098	70,222	26,681	17,671	37,598
Other interest paid on business indebtedness	42,205	11,130	575,861	160,529	11,756	29,941	29,932
Office expenses	63,857	33,756	637,419	78,857	20,527	31,093	28,604
Pension and profit-sharing plans	4,774	* 1,896	29,744	1,328	* 775	* 255	* 3,492
Rent paid on machinery and equipment	48,698	21,769	469,491	36,184	22,306	35,323	21,617
Rent paid on other business property	212,766	85,033	4,046,202	366,565	177,343	99,883	82,616
Repairs	101,276	10,413	762,785	148,493	21,094	11,765	48,418
Supplies	230,775	23,550	1,486,529	215,507	22,935	81,052	66,542
Salaries and wages	535,776	83,826	5,743,701	691,439	137,195	228,317	416,658
Taxes paid	113,684	14,093	1,937,490	291,852	50,927	72,752	98,110
Travel	103,272	101,747	697,758	52,691	25,273	26,536	16,400
Utilities	133,630	62,965	2,247,195	224,301	75,219	68,672	116,731
Other business deductions	1,005,870	225,749	5,791,291	830,936	130,241	151,204	276,584
Home office business deductions, total	29,751	49,372	419,835	8,605	* 9,590	23,291	* 4,640
Depreciation, Form 8829 [3]	1,616	3,882	53,463	* 878	* 4,053	* 1,838	* 209
Casualty loss, Form 8829 [3]	0	0	* 3,606	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	* 632	* 1,461	6,953	* 505	0	* 636	0
Net income [1,2]	1,994,639	1,301,815	16,853,669	1,800,047	536,726	467,415	861,849
Returns with Schedule C-EZ:							
Number of returns	11,589	11,725	261,081	22,033	* 2,478	* 3,975	* 4,223
Business receipts	64,425	121,463	1,524,003	194,113	* 14,242	* 8,522	* 64,004
Business deductions	8,250	9,298	237,156	24,997	* 1,510	* 545	* 5,520
Net income	56,175	112,164	1,286,846	169,116	* 12,732	* 7,977	* 58,484

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Retail trade—continued						
	Food and beverage stores	Health and personal care stores	Gasoline stations	Clothing and accessories stores	Sporting goods, hobby, book, and music stores	General merchandise stores	Miscellaneous store retailers
	(50)	(51)	(52)	(53)	(54)	(55)	(56)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	90,978	133,393	21,790	127,848	103,392	23,544	529,027
Business receipts, total [1]	28,514,563	8,894,781	28,899,287	11,609,824	7,467,029	2,841,834	30,631,191
Income from sales and operations [1]	28,068,831	8,801,661	28,670,435	11,554,475	7,421,552	2,829,358	30,329,163
Other business income	445,732	93,120	228,852	55,350	45,476	12,475	302,028
Business deductions, total [1,2]	27,595,610	8,240,958	28,797,550	11,157,231	7,343,693	2,769,173	28,760,186
Cost of sales and operations, total	20,655,160	5,355,152	25,521,579	6,729,413	4,747,185	1,881,267	16,977,950
Inventory, beginning of year	1,800,319	798,740	601,593	2,400,816	1,847,663	429,545	5,129,421
Cost of labor	214,629	29,049	23,501	134,347	70,231	* 676	317,753
Purchases	19,086,717	4,851,061	23,910,413	6,000,748	4,441,528	1,692,552	14,813,583
Materials and supplies	941,373	183,001	1,249,647	441,687	173,374	* 108,260	1,160,440
Other costs	589,608	269,251	293,074	210,277	129,910	127,971	795,622
Inventory, end of year	1,977,488	775,950	556,649	2,458,462	1,915,521	477,735	5,238,867
Advertising expenses	138,076	146,250	30,224	222,136	139,251	29,556	497,655
Car and truck expenses	259,343	295,247	74,465	188,186	168,931	74,559	1,579,177
Commissions	54,669	37,614	19,436	49,032	23,292	2,501	184,494
Contract labor	61,679	96,683	29,991	25,398	67,721	37,451	206,348
Depletion	* 478	0	* 1,192	0	* 1,584	0	112
Depreciation	336,145	130,204	254,905	163,181	140,151	64,985	603,604
Employee benefit programs	22,688	22,626	12,068	14,514	7,143	* 714	60,417
Insurance	197,307	54,484	103,724	104,904	59,709	23,746	285,635
Legal and professional services	91,439	49,558	48,303	80,449	43,876	14,381	165,023
Meals and entertainment deducted	8,895	40,969	3,716	22,816	17,567	2,950	134,552
Mortgage interest	98,331	37,529	126,125	28,107	40,604	27,580	132,200
Other interest paid on business indebtedness	109,749	29,759	78,449	73,858	47,734	19,552	212,614
Office expenses	59,467	65,850	18,875	90,722	50,556	14,733	263,151
Pension and profit-sharing plans	1,559	5,661	907	7,231	* 595	* 314	7,127
Rent paid on machinery and equipment	114,481	80,091	28,366	39,458	19,665	19,904	189,037
Rent paid on other business property	892,191	277,760	323,622	1,068,134	416,806	127,339	1,535,793
Repairs	200,475	44,289	120,990	68,285	48,218	11,491	216,000
Supplies	416,386	151,189	37,876	170,494	136,710	19,023	447,453
Salaries and wages	1,585,459	525,192	765,483	663,827	336,587	123,230	1,604,025
Taxes paid	444,564	102,376	342,544	255,714	154,762	62,874	499,328
Travel	37,491	68,685	5,406	98,099	48,649	13,766	327,175
Utilities	714,081	155,781	292,913	243,181	180,225	60,352	725,796
Other business deductions	1,084,989	389,897	547,089	682,229	393,371	135,960	1,692,333
Home office business deductions, total	9,118	63,065	5,936	60,462	49,144	* 945	150,091
Depreciation, Form 8829 [3]	* 1,162	6,395	* 28	10,355	8,841	* 242	28,467
Casualty loss, Form 8829 [3]	0	* 248	0	* 346	0	0	0
Excess—casualty depreciations, Form 8829 [3]	* 2,065	11,558	* 19	8,788	23,840	* 474	37,284
Net income less deficit [1,2]	929,414	651,259	101,208	453,277	123,558	72,660	1,875,498
Net income [1,2]	1,491,564	1,160,162	397,810	1,104,690	696,952	211,428	3,927,931
Deficit [2]	-562,149	-508,903	-296,603	-651,412	-573,394	-138,768	-2,052,433

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Retail trade—continued						
	Food and beverage stores	Health and personal care stores	Gasoline stations	Clothing and accessories stores	Sporting goods, hobby, book, and music stores	General merchandise stores	Miscellaneous store retailers
	(50)	(51)	(52)	(53)	(54)	(55)	(56)
BUSINESSES WITH NET INCOME							
Number of returns [1]	63,642	57,826	13,306	70,613	42,403	10,980	285,724
Business receipts, total [1]	23,297,348	7,794,683	19,879,724	9,894,062	5,433,941	2,360,036	23,472,085
Income from sales and operations [1]	22,905,604	7,718,412	19,710,932	9,829,646	5,400,416	2,346,483	23,243,850
Other business income	391,744	76,272	168,793	64,416	33,525	* 13,553	228,235
Business deductions, total [1,2]	21,809,459	6,634,591	19,481,488	8,789,372	4,736,989	2,148,608	19,544,155
Cost of sales and operations, total	16,692,769	4,649,620	17,442,280	5,585,164	3,309,632	1,578,701	12,581,581
Inventory, beginning of year	1,384,837	588,537	394,566	1,558,673	1,069,581	307,300	2,488,210
Cost of labor	196,818	* 25,996	10,134	124,391	48,268	* 434	207,406
Purchases	15,162,242	4,252,359	16,655,864	5,008,550	3,089,708	1,463,915	10,941,687
Materials and supplies	888,351	114,942	532,936	384,216	109,103	* 17,144	917,896
Other costs	553,547	245,416	218,156	160,940	80,193	127,717	628,897
Inventory, end of year	1,493,026	577,630	369,376	1,651,606	1,087,220	337,810	2,602,515
Advertising expenses	88,758	91,946	18,918	132,251	62,101	16,405	279,617
Car and truck expenses	180,700	133,459	60,122	112,558	65,170	50,212	854,567
Commissions	51,474	34,276	9,603	42,565	18,107	* 2,303	134,723
Contract labor	32,422	59,405	17,827	21,039	43,166	* 9,711	130,230
Depletion	* 419	0	* 27	0	* 1,518	0	* 36
Depreciation	198,439	81,590	123,655	110,344	57,735	26,635	286,094
Employee benefit programs	16,713	20,038	9,513	9,813	5,148	* 593	44,419
Insurance	154,430	40,710	67,182	80,712	35,678	15,174	187,979
Legal and professional services	61,840	34,695	31,683	54,574	23,180	8,637	101,957
Meals and entertainment deducted	4,625	16,933	3,307	14,348	8,309	1,529	78,503
Mortgage interest	58,731	21,032	79,207	13,253	16,918	16,806	56,689
Other interest paid on business indebtedness	68,660	18,405	37,744	41,782	16,066	12,229	109,835
Office expenses	38,093	44,556	13,131	58,631	27,237	9,990	150,434
Pension and profit-sharing plans	763	5,647	* 661	6,538	* 590	* 305	6,274
Rent paid on machinery and equipment	86,362	58,129	14,018	21,875	7,460	19,595	106,218
Rent paid on other business property	659,644	215,539	215,937	790,456	227,149	81,783	933,511
Repairs	149,596	30,715	70,558	51,637	27,291	7,981	122,254
Supplies	308,291	91,885	24,614	94,040	80,838	10,262	189,619
Salaries and wages	1,186,299	451,741	484,932	508,267	219,399	98,072	1,092,876
Taxes paid	340,317	79,560	222,762	205,909	107,152	52,472	308,051
Travel	22,905	42,962	1,534	76,658	22,844	7,456	207,441
Utilities	540,904	94,295	189,111	162,607	107,363	45,137	420,964
Other business deductions	861,114	270,695	337,467	547,325	221,517	76,147	998,501
Home office business deductions, total	3,810	31,708	* 5,566	39,628	21,985	* 472	101,249
Depreciation, Form 8829 [3]	* 307	3,613	* 16	5,852	* 1,705	* [4]	16,116
Casualty loss, Form 8829 [3]	0	0	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	* 81	* 53	* 16	* 1,383	* 165	0	* 272
Net income [1,2]	1,491,564	1,160,162	397,810	1,104,690	696,952	211,428	3,927,931
Returns with Schedule C-EZ:							
Number of returns	* 6,043	12,684	* 2,320	7,416	5,125	* 973	82,674
Business receipts	* 42,084	129,668	* 16,253	31,976	13,915	* 818	458,692
Business deductions	* 1,389	15,047	* 3,364	* 7,402	* 3,658	0	63,096
Net income	* 40,695	114,621	* 12,889	24,574	* 10,256	* 818	395,596

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Retail trade— continued	Transportation and warehousing					
	Nonstore retailers	Total	Air and rail transportation	Water transportation	General freight trucking, local	General freight trucking, long- distance and specialized freight trucking	Urban transit
	(57)	(58)	(59)	(60)	(61)	(62)	(63)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	983,191	1,047,716	11,156	6,787	212,461	** 363,583	**
Business receipts, total [1]	20,911,475	81,073,306	1,519,288	870,779	20,208,531	** 40,483,021	**
Income from sales and operations [1]	20,501,496	79,832,948	1,472,009	866,799	20,035,767	** 39,766,495	**
Other business income	409,978	1,240,358	47,279	3,980	172,764	** 716,526	**
Business deductions, total [1,2]	19,280,383	71,793,888	1,870,929	736,297	17,989,641	** 36,429,900	**
Cost of sales and operations, total	9,514,130	9,842,920	657,630	275,905	2,614,141	** 3,701,472	**
Inventory, beginning of year	2,162,564	206,845	82,295	* 328	10,119	** 68,969	**
Cost of labor	180,275	1,860,612	15,502	* 29,423	877,475	** 498,576	**
Purchases	7,889,040	2,210,173	53,241	1,799	248,000	** 954,711	**
Materials and supplies	767,278	989,572	150,634	* 2,343	343,461	** 269,851	**
Other costs	496,421	4,879,190	510,512	245,109	1,150,969	** 1,983,523	**
Inventory, end of year	1,981,447	303,471	154,554	* 3,097	15,882	** 74,157	**
Advertising expenses	423,420	205,544	4,174	2,725	37,086	** 46,423	**
Car and truck expenses	2,485,786	22,634,352	48,701	11,380	5,316,783	** 13,053,095	**
Commissions	305,462	1,001,138	12,740	8,762	342,674	** 411,111	**
Contract labor	119,000	3,932,757	26,444	16,062	1,062,968	** 2,212,017	**
Depletion	469	5,625	* 120	* 70	* 1,089	** 1,963	**
Depreciation	516,289	5,548,139	420,770	112,939	1,463,245	** 2,802,821	**
Employee benefit programs	18,430	102,991	2,430	5,711	38,716	** 39,195	**
Insurance	122,418	2,787,574	31,236	20,772	795,355	** 1,386,838	**
Legal and professional services	140,503	333,543	17,315	7,299	67,109	** 142,208	**
Meals and entertainment deducted	149,474	1,550,420	4,215	1,706	219,671	** 1,221,829	**
Mortgage interest	67,281	340,295	26,107	8,467	76,036	** 140,876	**
Other interest paid on business indebtedness	125,506	722,855	61,145	21,642	165,352	** 366,777	**
Office expenses	288,171	352,287	6,545	1,459	79,746	** 145,435	**
Pension and profit-sharing plans	37,335	8,170	699	* 182	449	** 5,080	**
Rent paid on machinery and equipment	61,336	2,309,439	12,983	4,055	479,195	** 1,029,793	**
Rent paid on other business property	342,389	583,160	20,215	14,499	128,661	** 153,874	**
Repairs	129,809	4,195,376	67,628	25,463	1,278,282	** 2,376,463	**
Supplies	675,352	1,129,303	23,727	5,666	313,949	** 576,731	**
Salaries and wages	422,940	2,580,330	63,050	56,896	873,460	** 957,798	**
Taxes paid	191,745	1,246,457	14,924	6,791	356,934	** 657,182	**
Travel	338,377	734,331	26,748	4,573	157,553	** 392,897	**
Utilities	457,431	853,976	8,983	2,534	195,167	** 389,442	**
Other business deductions	1,935,415	8,450,216	306,918	118,208	1,842,414	** 4,095,582	**
Home office business deductions, total	301,288	230,481	4,329	* 152	65,036	** 90,904	**
Depreciation, Form 8829 [3]	41,850	20,744	* 63	* 5	3,715	** 6,811	**
Casualty loss, Form 8829 [3]	* 3,883	* 7	* 7	0	0	** 0	**
Excess—casualty depreciations, Form 8829 [3]	88,697	4,134	* 8	* 3	* 1,116	** 1,240	**
Net income less deficit [1,2]	1,656,747	9,383,446	-291,560	139,639	2,218,991	** 4,054,522	**
Net income [1,2]	4,197,095	12,541,505	234,880	223,745	2,912,265	** 5,005,243	**
Deficit [2]	-2,540,348	-3,158,059	-526,440	-84,106	-693,274	** -950,722	**

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Retail trade— continued	Transportation and warehousing					
	Nonstore retailers	Total	Air and rail transportation	Water transportation	General freight trucking, local	General freight trucking, long- distance and specialized freight trucking	Urban transit
	(57)	(58)	(59)	(60)	(61)	(62)	(63)
BUSINESSES WITH NET INCOME							
Number of returns [1]	456,550	826,797	6,888	5,288	166,520	** 286,447	**
Business receipts, total [1]	16,154,154	65,340,649	969,925	589,647	16,159,729	** 32,912,494	**
Income from sales and operations [1]	15,911,492	64,345,541	948,953	586,796	16,043,288	** 32,319,886	**
Other business income	242,662	995,108	20,973	* 2,850	116,441	** 592,608	**
Business deductions, total [1,2]	11,957,536	52,808,058	743,931	365,919	13,247,438	** 27,907,250	**
Cost of sales and operations, total	6,792,340	6,935,846	485,913	* 194,923	1,830,398	** 2,632,242	**
Inventory, beginning of year	1,029,019	112,604	* 14,324	* 26	7,556	** 56,843	**
Cost of labor	160,116	1,500,671	* 10,464	* 20,139	750,876	** 317,899	**
Purchases	5,652,819	1,626,754	* 12,707	* 645	169,090	** 843,671	**
Materials and supplies	628,163	766,462	* 148,084	* 1,110	283,704	** 140,420	**
Other costs	352,718	3,067,322	312,734	* 173,025	631,090	** 1,341,604	**
Inventory, end of year	1,030,494	137,967	* 12,401	* 22	11,918	** 68,195	**
Advertising expenses	184,378	130,377	2,584	* 173	27,832	** 30,061	**
Car and truck expenses	1,370,187	17,332,963	38,157	4,578	4,103,124	** 10,384,335	**
Commissions	142,467	771,060	6,773	* 822	258,115	** 316,166	**
Contract labor	66,799	3,040,285	9,384	* 3,920	817,101	** 1,674,202	**
Depletion	* 121	5,497	* 102	* 1	* 1,051	** 1,963	**
Depreciation	238,594	3,339,979	42,323	23,320	886,621	** 1,992,722	**
Employee benefit programs	12,856	74,009	* 301	* 4,750	26,588	** 28,990	**
Insurance	77,583	2,085,261	8,786	9,165	615,724	** 1,048,141	**
Legal and professional services	66,485	220,892	3,060	1,515	51,903	** 111,901	**
Meals and entertainment deducted	86,596	1,310,894	3,246	* 554	180,136	** 1,048,821	**
Mortgage interest	34,291	194,206	4,355	* 711	42,821	** 70,878	**
Other interest paid on business indebtedness	38,982	425,263	4,737	* 3,148	100,383	** 249,835	**
Office expenses	136,265	250,500	4,986	466	58,524	** 110,854	**
Pension and profit-sharing plans	3,115	6,386	* 43	* 182	* 309	** 4,271	**
Rent paid on machinery and equipment	40,404	1,928,250	6,096	* 149	424,934	** 807,660	**
Rent paid on other business property	195,775	434,202	3,985	* 12,316	90,734	** 115,315	**
Repairs	72,983	3,151,363	4,234	6,845	935,471	** 1,861,893	**
Supplies	300,942	833,472	12,185	* 1,087	203,768	** 467,825	**
Salaries and wages	228,505	1,582,648	9,521	* 21,563	568,403	** 592,734	**
Taxes paid	107,626	885,832	1,983	2,733	242,755	** 491,771	**
Travel	195,059	555,786	14,447	* 2,489	120,742	** 311,050	**
Utilities	201,889	626,981	6,086	1,201	144,205	** 293,627	**
Other business deductions	1,089,561	6,395,630	66,288	66,784	1,453,530	** 3,153,122	**
Home office business deductions, total	169,289	179,169	* 3,204	* 144	43,698	** 75,678	**
Depreciation, Form 8829 [3]	18,877	15,361	* 57	* 2	1,989	** 5,511	**
Casualty loss, Form 8829 [3]	* 3,606	0	0	0	0	** 0	**
Excess—casualty depreciations, Form 8829 [3]	* 3,842	* 1	0	0	* 1	** 0	**
Net income [1,2]	4,197,095	12,541,505	234,880	223,745	2,912,265	** 5,005,243	**
Returns with Schedule C-EZ:							
Number of returns	111,138	113,194	* 2,255	* 1,943	19,751	** 26,260	**
Business receipts	549,716	915,756	* 73,658	* 9,900	137,590	** 252,046	**
Business deductions	110,627	112,207	* 1,153	* 2,379	18,570	** 32,093	**
Net income	439,089	803,550	* 72,505	* 7,521	119,021	** 219,952	**

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Transportation and warehousing—continued						
	Interurban and rural bus transportation	Taxi and limousine service	School, employee, and charter bus industry	Other transit and ground passenger transportation	Pipeline transportation	Scenic and sightseeing transportation	Support activities for transportation (including motor vehicle towing)
	(64)	(65)	(66)	(67)	(68)	(69)	(70)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	* 944	167,974	13,701	23,920	* 658	12,292	51,560
Business receipts, total [1]	* 33,682	5,641,078	741,861	718,765	* 45,911	508,958	4,279,539
Income from sales and operations [1]	* 33,675	5,610,618	741,091	712,846	* 45,908	507,835	4,105,242
Other business income	* 7	30,460	* 770	* 5,919	* 3	* 1,124	174,297
Business deductions, total [1,2]	* 30,068	4,124,048	591,870	458,697	* 60,948	595,635	3,863,563
Cost of sales and operations, total	0	99,264	* 117,704	* 31,003	* 209	* 144,361	1,342,469
Inventory, beginning of year	0	* 324	0	0	0	* 137	30,125
Cost of labor	0	* 7,395	* 8,888	* 1,396	0	* 100,551	76,333
Purchases	0	* 22,421	0	0	0	* 836	464,861
Materials and supplies	0	* 2,278	* 20,370	* 25,901	0	* 21,169	* 116,740
Other costs	0	* 66,845	* 88,446	* 3,707	* 209	* 21,862	688,427
Inventory, end of year	0	0	0	0	0	* 193	34,016
Advertising expenses	0	48,232	4,180	1,430	0	17,481	31,616
Car and truck expenses	0	888,029	71,684	145,192	* 20,087	32,395	512,306
Commissions	0	123,478	* 29,164	* 824	0	* 1,055	32,883
Contract labor	0	84,874	* 5,976	* 19,478	* 18	2,932	172,158
Depletion	0	0	0	0	* 3	* [4]	* 2,219
Depreciation	* 2,653	150,684	62,249	23,374	* 25,551	101,350	250,476
Employee benefit programs	0	* 3,599	* 867	* 4,933	* 3	* 655	2,622
Insurance	* 5,322	243,591	46,846	22,417	* 1,515	23,573	132,116
Legal and professional services	0	32,029	2,529	2,338	* 227	6,385	13,598
Meals and entertainment deducted	0	19,051	1,003	4,323	* 3,650	2,953	43,768
Mortgage interest	* 2,546	49,092	* 8,621	* 1,505	0	* 5,782	9,379
Other interest paid on business indebtedness	* 5	27,171	16,927	* 419	* 1,428	16,281	31,904
Office expenses	0	24,477	6,658	3,952	0	5,194	41,231
Pension and profit-sharing plans	0	* 79	0	* 480	* 26	0	* 534
Rent paid on machinery and equipment	* [4]	660,280	* 443	* 9,765	0	* 6,028	52,467
Rent paid on other business property	0	133,785	* 1,884	* 6,374	0	14,300	60,023
Repairs	* 2,413	188,054	30,829	15,557	* 5,561	28,061	102,403
Supplies	* [4]	60,317	8,147	7,415	* 111	19,251	62,980
Salaries and wages	* 57	124,813	73,090	* 53,673	* 217	25,532	238,787
Taxes paid	* 841	69,611	16,762	8,360	* 842	13,034	58,568
Travel	0	8,779	9,601	15,134	* 337	24,866	40,709
Utilities	* 618	77,022	8,435	7,581	* [4]	6,858	90,081
Other business deductions	* 15,612	974,596	66,601	59,510	* 1,118	88,892	524,122
Home office business deductions, total	0	* 12,280	* 1,670	* 7,924	* 44	* 8,416	9,741
Depreciation, Form 8829 [3]	0	* 911	* 26	* 255	0	* 1,676	* 174
Casualty loss, Form 8829 [3]	0	0	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	0	* 484	0	* 3	0	* 1,053	0
Net income less deficit [1,2]	* 3,614	1,523,255	149,546	260,082	* -14,599	-83,664	416,012
Net income [1,2]	* 4,761	1,659,025	157,329	289,888	* 2	47,547	584,806
Deficit [2]	* -1,147	-135,770	-7,783	-29,807	* -14,601	-131,211	-168,794

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Transportation and warehousing—continued						
	Interurban and rural bus transportation	Taxi and limousine service	School, employee, and charter bus industry	Other transit and ground passenger transportation	Pipeline transportation	Scenic and sightseeing transportation	Support activities for transportation (including motor vehicle towing)
	(64)	(65)	(66)	(67)	(68)	(69)	(70)
BUSINESSES WITH NET INCOME							
Number of returns [1]	* 300	149,479	10,676	** 17,057	**	5,078	36,864
Business receipts, total [1]	* 13,875	5,126,887	563,351	** 560,067	**	248,484	3,138,557
Income from sales and operations [1]	* 13,867	5,096,691	562,706	** 554,914	**	248,424	2,990,138
Other business income	* 7	30,196	* 645	** 5,153	**	* 61	148,419
Business deductions, total [1,2]	* 9,113	3,467,862	406,022	** 270,177	**	200,937	2,553,751
Cost of sales and operations, total	0	* 81,512	* 35,508	** 25,824	**	* 101,537	859,886
Inventory, beginning of year	0	0	0	**	**	0	* 19,406
Cost of labor	0	* 7,395	* 8,888	** 1,060	**	* 100,088	* 43,879
Purchases	0	* 19,831	0	**	**	* 836	279,459
Materials and supplies	0	* 1,955	* 20,370	** 24,765	**	* 614	* 108,851
Other costs	0	* 52,330	* 6,251	**	**	0	432,240
Inventory, end of year	0	0	0	**	**	0	* 23,950
Advertising expenses	0	33,516	* 821	** 1,022	**	* 8,846	16,762
Car and truck expenses	0	664,861	62,384	** 42,971	**	* 18,842	341,807
Commissions	0	107,537	* 25,973	** 695	**	0	* 23,158
Contract labor	0	61,460	* 5,840	** 19,361	**	* 1,222	141,363
Depletion	0	0	0	** [4]	**	0	* 2,219
Depreciation	* 208	120,564	32,948	** 11,434	**	* 2,772	165,406
Employee benefit programs	0	* 1,895	* 771	** 4,662	**	* 587	* 2,295
Insurance	* 481	212,015	36,717	** 13,603	**	* 2,179	73,253
Legal and professional services	0	20,486	2,022	** 1,613	**	* 917	10,705
Meals and entertainment deducted	0	18,481	* 750	** 1,079	**	* 1,807	33,151
Mortgage interest	* 2,546	49,092	* 7,606	** 1,403	**	0	* 3,792
Other interest paid on business indebtedness	* 5	24,909	8,368	** 39	**	* 1,732	23,974
Office expenses	0	15,891	6,037	** 3,396	**	* 1,745	29,319
Pension and profit-sharing plans	0	* 79	0	** 479	**	0	* 382
Rent paid on machinery and equipment	* [4]	599,629	* 201	** 7,557	**	0	40,816
Rent paid on other business property	0	125,758	* 1,423	** 5,749	**	* 3,773	34,360
Repairs	* 3	172,531	27,978	** 10,926	**	* 992	69,905
Supplies	* [4]	49,556	8,123	** 6,016	**	* 2,462	41,087
Salaries and wages	* 57	* 61,375	54,830	** 38,288	**	* 1,347	143,189
Taxes paid	* 58	59,464	14,180	** 5,488	**	* 944	31,396
Travel	0	6,177	* 8,698	** 8,228	**	* 10,263	32,616
Utilities	0	67,463	6,124	** 4,600	**	* 1,917	58,056
Other business deductions	* 5,754	882,766	57,048	** 42,651	**	* 34,307	361,284
Home office business deductions, total	0	* 9,986	* 1,670	** 7,357	**	* 2,747	9,169
Depreciation, Form 8829 [3]	0	* 496	* 26	** 252	**	0	* 174
Casualty loss, Form 8829 [3]	0	0	0	**	**	0	0
Excess—casualty depreciations, Form 8829 [3]	0	0	0	**	**	0	0
Net income [1,2]	* 4,761	1,659,025	157,329	** 289,890	**	47,547	584,806
Returns with Schedule C-EZ:							
Number of returns	0	19,430	* 651	7,614	0	* 647	7,857
Business receipts	0	178,861	* 5,584	48,850	0	* 2,582	67,434
Business deductions	0	20,860	0	* 5,737	0	0	* 4,404
Net income	0	158,001	* 5,584	43,113	0	* 2,582	63,030

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Transportation and warehousing—continued		Information				
	Couriers and messengers	Warehousing and storage facilities	Total	Publishing industries (except internet)	Motion picture and sound recording	Broadcasting (except internet) and tele-communications	Internet publishing and broadcasting
	(71)	(72)	(73)	(74)	(75)	(76)	(77)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	175,337	7,344	365,625	75,386	103,469	51,983	4,151
Business receipts, total [1]	5,508,211	513,683	11,704,393	1,931,754	3,011,507	2,647,023	177,244
Income from sales and operations [1]	5,429,838	504,827	11,561,716	1,893,048	2,983,900	2,621,692	176,198
Other business income	* 78,374	* 8,856	142,677	38,706	27,607	25,331	* 1,046
Business deductions, total [1,2]	4,562,676	479,615	8,629,241	1,600,825	2,486,766	2,206,437	169,843
Cost of sales and operations, total	708,608	150,153	2,006,773	495,323	334,253	669,014	* 26,081
Inventory, beginning of year	* 2,838	* 11,712	177,421	92,240	36,703	7,360	* 640
Cost of labor	* 230,827	* 14,246	261,372	* 118,341	* 6,939	8,248	* 878
Purchases	* 335,630	* 128,674	1,003,667	126,267	155,442	537,565	* 23,034
Materials and supplies	* 36,756	* 68	143,181	35,741	15,707	48,672	* 2,240
Other costs	* 108,530	* 11,052	608,861	203,875	180,227	73,641	* 324
Inventory, end of year	* 5,973	* 15,599	187,728	81,139	60,765	6,474	* 1,035
Advertising expenses	11,190	1,007	252,260	25,036	64,911	37,314	9,800
Car and truck expenses	2,503,444	31,256	671,688	130,976	182,440	170,848	* 9,822
Commissions	34,177	4,271	163,288	16,819	28,467	46,320	* 6,978
Contract labor	312,138	17,692	509,213	25,391	145,841	179,661	* 4,472
Depletion	* 162	0	* 248	* 1	* 178	* 61	0
Depreciation	93,940	38,088	492,810	31,082	262,878	63,545	13,479
Employee benefit programs	* 3,126	1,134	40,251	21,031	6,773	7,876	* 969
Insurance	72,372	5,622	69,497	15,401	19,460	19,935	* 883
Legal and professional services	23,231	19,275	170,727	27,416	73,940	19,905	1,525
Meals and entertainment deducted	27,459	792	108,526	24,700	35,321	16,673	* 4,269
Mortgage interest	* 6,749	* 5,135	23,418	* 9,180	4,777	6,098	0
Other interest paid on business indebtedness	7,119	6,685	70,468	15,743	17,291	23,328	* 686
Office expenses	23,731	13,860	184,120	36,261	54,008	27,521	3,417
Pension and profit-sharing plans	* 603	* 38	7,776	* 3,358	1,901	* 1,475	0
Rent paid on machinery and equipment	50,311	4,118	99,339	5,103	22,971	31,415	* 141
Rent paid on other business property	25,478	24,068	301,886	29,046	128,075	71,852	* 7,159
Repairs	64,823	9,838	62,345	11,518	26,240	14,391	* 626
Supplies	43,499	7,512	241,774	50,392	52,023	84,576	* 6,116
Salaries and wages	83,829	29,126	595,320	167,058	148,664	168,785	* 10,663
Taxes paid	30,932	11,675	89,216	24,231	18,426	30,313	* 3,231
Travel	43,385	9,749	304,710	43,632	116,099	53,697	1,986
Utilities	56,560	10,696	248,293	39,326	76,779	51,214	6,623
Other business deductions	284,703	71,940	1,593,640	316,448	567,835	372,450	45,453
Home office business deductions, total	25,787	* 4,197	264,826	25,878	84,858	24,033	* 5,464
Depreciation, Form 8829 [3]	3,690	* 3,418	27,400	3,994	15,143	* 1,027	0
Casualty loss, Form 8829 [3]	0	0	* 6,972	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	* 228	0	14,245	* 1,182	* 6,740	* 63	0
Net income less deficit [1,2]	973,505	34,105	3,123,461	336,897	548,598	455,183	7,401
Net income [1,2]	1,297,384	124,630	4,278,001	568,310	1,043,912	603,072	31,199
Deficit [2]	-323,880	-90,525	-1,154,540	-231,414	-495,315	-147,889	-23,798

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Transportation and warehousing—continued		Information				
	Couriers and messengers	Warehousing and storage facilities	Total	Publishing industries (except internet)	Motion picture and sound recording	Broadcasting (except internet) and tele-communications	Internet publishing and broadcasting
	(71)	(72)	(73)	(74)	(75)	(76)	(77)
BUSINESSES WITH NET INCOME							
Number of returns [1]	137,396	4,804	243,183	52,053	59,213	34,138	2,152
Business receipts, total [1]	4,615,802	441,830	9,800,479	1,515,671	2,504,126	2,035,326	120,795
Income from sales and operations [1]	4,538,933	440,945	9,685,787	1,496,186	2,471,499	2,023,989	120,549
Other business income	* 76,870	* 885	114,691	19,486	32,627	11,336	* 246
Business deductions, total [1,2]	3,318,418	317,238	5,522,701	947,361	1,460,437	1,432,253	89,596
Cost of sales and operations, total	555,183	132,922	1,430,238	363,968	270,412	381,415	* 5,609
Inventory, beginning of year	* 2,737	* 11,712	106,577	57,526	* 11,372	* 6,843	* 640
Cost of labor	* 225,737	* 14,246	231,607	* 111,275	* 1,190	* 2,098	* 878
Purchases	* 187,856	* 112,660	673,580	109,794	138,657	* 269,860	* 2,700
Materials and supplies	* 36,523	* 68	100,040	* 26,802	* 14,164	* 47,865	* 2,102
Other costs	* 108,212	* 9,835	419,463	113,446	113,892	60,652	* 324
Inventory, end of year	* 5,882	* 15,599	101,030	54,875	8,864	* 5,903	* 1,035
Advertising expenses	8,381	* 378	157,475	14,586	46,370	28,448	* 9,280
Car and truck expenses	1,658,978	12,927	397,395	72,571	91,590	120,840	* 3,653
Commissions	* 27,893	* 3,930	140,665	8,719	23,941	* 42,389	* 6,978
Contract labor	289,435	* 16,998	394,494	10,343	114,281	166,385	* 4,054
Depletion	* 162	0	* 206	0	* 137	* 61	0
Depreciation	52,573	9,087	254,302	13,934	100,219	36,667	* 6,158
Employee benefit programs	* 2,789	* 381	28,398	16,460	* 4,457	4,545	* 554
Insurance	60,777	4,420	49,663	9,408	11,819	16,048	* 881
Legal and professional services	13,738	3,032	81,710	10,200	28,403	9,592	* 839
Meals and entertainment deducted	22,494	374	57,491	5,890	19,864	9,817	* 4,159
Mortgage interest	* 6,615	* 4,386	17,026	* 8,572	* 2,662	* 2,427	0
Other interest paid on business indebtedness	3,241	4,892	20,680	5,457	1,396	7,009	* 91
Office expenses	17,501	1,781	139,835	27,429	40,420	21,070	* 2,407
Pension and profit-sharing plans	* 603	* 38	7,692	* 3,352	* 1,823	* 1,475	0
Rent paid on machinery and equipment	39,838	1,369	66,909	2,280	14,700	14,757	* 141
Rent paid on other business property	23,027	17,762	212,664	15,387	84,882	55,868	* 6,594
Repairs	53,918	6,668	41,697	7,553	20,292	8,329	* 457
Supplies	34,489	6,875	127,994	38,518	36,513	26,030	* 745
Salaries and wages	* 74,161	17,178	400,408	90,923	108,697	115,754	* 8,623
Taxes paid	26,973	8,086	54,728	13,177	12,282	18,307	* 1,434
Travel	32,566	8,513	207,586	27,155	79,018	34,876	* 1,873
Utilities	39,187	4,513	164,768	27,424	49,483	35,289	* 3,061
Other business deductions	227,101	44,996	815,604	120,076	227,505	245,246	20,646
Home office business deductions, total	21,475	* 4,041	196,246	23,508	56,915	15,469	* 1,358
Depreciation, Form 8829 [3]	3,461	* 3,392	21,330	3,014	12,189	* 572	0
Casualty loss, Form 8829 [3]	0	0	* 210	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	0	0	* 209	* 174	0	* 34	0
Net income [1,2]	1,297,384	124,630	4,278,001	568,310	1,043,912	603,072	31,199
Returns with Schedule C-EZ:							
Number of returns	26,138	* 647	77,886	21,936	15,981	11,760	0
Business receipts	136,170	* 3,080	598,721	116,305	90,813	121,606	0
Business deductions	25,321	* 1,690	56,831	10,475	12,357	14,140	0
Net income	110,849	* 1,390	541,890	105,829	78,456	107,466	0

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Information— continued	Finance and insurance					
	Internet service providers, web search portals, and data processing	Total	Credit intermediation and related activities	Securities, commodity contracts, and other financial investments			
				Total	Investment bankers and securities dealers	Securities brokers	Commodity contracts brokers and dealers
	(78)	(79)	(80)	(81)	(82)	(83)	(84)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	130,635	693,065	72,956	178,338	5,122	17,163	4,959
Business receipts, total [1]	3,936,865	112,312,139	3,166,910	77,172,761	4,789,463	5,357,286	3,024,548
Income from sales and operations [1]	3,886,878	110,076,901	3,117,988	75,768,416	4,601,637	5,117,452	3,016,503
Other business income	49,987	2,235,238	48,922	1,404,345	187,826	239,834	8,045
Business deductions, total [1,2]	2,165,370	94,315,221	2,945,033	71,188,190	4,469,358	4,390,029	2,894,832
Cost of sales and operations, total	482,101	55,057,543	672,082	53,079,355	3,798,797	3,019,812	2,543,675
Inventory, beginning of year	40,477	512,221	102,561	332,194	* 12,848	* 14,734	* 4,304
Cost of labor	* 126,966	164,270	* 3,860	38,171	* 1,280	* 154	* 8,245
Purchases	161,359	40,861,826	372,817	40,138,179	3,205,238	2,014,302	* 2,210,021
Materials and supplies	40,820	412,182	* 56,439	308,858	* 4	* 441	* 7,359
Other costs	150,794	13,659,631	231,421	12,627,675	588,514	1,006,233	317,015
Inventory, end of year	38,315	552,587	95,015	365,722	* 9,087	* 16,053	* 3,269
Advertising expenses	115,199	1,111,422	107,596	188,764	1,701	20,581	1,848
Car and truck expenses	177,602	3,036,746	244,023	513,636	13,715	45,029	8,648
Commissions	64,705	3,250,308	128,933	1,065,834	24,088	257,931	31,885
Contract labor	153,848	945,726	108,584	498,351	37,845	65,088	13,008
Depletion	* 9	5,203	* 88	4,543	* 50	* 82	* 1
Depreciation	121,826	999,905	79,636	379,987	4,280	26,232	9,520
Employee benefit programs	3,602	216,520	6,264	51,300	2,113	5,971	* 735
Insurance	13,818	653,715	40,602	115,089	3,811	13,546	1,046
Legal and professional services	47,941	769,129	53,429	401,058	29,614	19,123	7,573
Meals and entertainment deducted	27,563	567,938	30,727	157,423	13,346	20,242	8,288
Mortgage interest	* 3,364	224,740	30,914	62,041	* 1,106	1,618	2,053
Other interest paid on business indebtedness	13,420	543,891	74,130	298,487	22,253	11,743	5,338
Office expenses	62,913	1,178,741	55,271	256,726	4,733	26,401	8,098
Pension and profit-sharing plans	* 1,042	128,599	9,272	39,652	* 1,212	5,265	* 286
Rent paid on machinery and equipment	39,709	316,196	50,017	81,081	3,329	11,870	1,069
Rent paid on other business property	65,754	1,455,536	83,217	420,106	19,894	32,725	28,466
Repairs	9,570	261,719	25,884	47,255	407	4,112	2,552
Supplies	48,665	637,614	42,086	216,321	3,501	9,242	3,448
Salaries and wages	100,151	4,494,151	170,495	1,516,890	45,293	118,283	35,404
Taxes paid	13,016	601,391	36,209	186,341	5,357	18,554	2,105
Travel	89,297	831,971	39,118	328,380	51,248	15,776	10,203
Utilities	74,350	1,085,726	109,958	206,752	10,731	22,302	4,023
Other business deductions	291,453	15,436,355	695,122	10,941,733	364,838	610,093	164,768
Home office business deductions, total	124,593	421,774	42,065	113,690	6,062	5,499	746
Depreciation, Form 8829 [3]	7,236	52,243	9,173	15,029	923	1,043	* 146
Casualty loss, Form 8829 [3]	* 6,972	* 1,088	0	* 839	* [4]	0	0
Excess—casualty depreciations, Form 8829 [3]	* 6,261	33,395	* 3,779	8,013	* 113	* 141	* 267
Net income less deficit [1,2]	1,775,383	18,004,035	229,170	5,984,021	320,069	967,341	129,923
Net income [1,2]	2,031,507	21,547,741	767,713	8,059,177	472,384	1,067,526	255,422
Deficit [2]	-256,124	-3,543,706	-538,543	-2,075,156	-152,315	-100,185	-125,499

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Information— continued	Finance and insurance					
	Internet service providers, web search portals, and data processing	Total	Credit intermediation and related activities	Securities, commodity contracts, and other financial investments			
				Total	Investment bankers and securities dealers	Securities brokers	Commodity contracts brokers and dealers
	(78)	(79)	(80)	(81)	(82)	(83)	(84)
BUSINESSES WITH NET INCOME							
Number of returns [1]	95,626	468,187	40,555	104,564	3,226	11,205	3,291
Business receipts, total [1]	3,624,561	58,566,141	2,464,387	27,205,432	1,501,529	2,138,677	2,981,175
Income from sales and operations [1]	3,573,564	56,770,318	2,432,394	26,176,417	1,315,159	2,012,885	2,967,756
Other business income	50,997	1,795,823	31,994	1,029,015	186,369	125,792	13,418
Business deductions, total [1,2]	1,593,054	37,017,881	1,697,039	19,142,237	1,029,109	1,071,196	2,725,928
Cost of sales and operations, total	408,835	13,758,208	473,110	12,249,129	* 661,277	197,528	* 2,513,002
Inventory, beginning of year	* 30,196	200,196	57,151	84,957	0	* 14,679	* 1,045
Cost of labor	* 116,167	107,815	* 18	16,463	* 1,280	0	0
Purchases	152,569	10,604,806	301,056	10,090,442	* 659,853	* 3,736	* 2,206,831
Materials and supplies	* 9,106	109,804	* 53,938	11,133	* 2	* 441	* 7,359
Other costs	131,148	2,970,546	123,123	2,148,247	* 142	* 192,746	* 298,506
Inventory, end of year	* 30,353	234,959	62,177	102,113	0	* 14,073	* 739
Advertising expenses	58,791	975,107	85,906	135,799	1,100	10,140	1,662
Car and truck expenses	108,740	2,263,876	121,477	306,763	2,441	39,396	8,287
Commissions	58,638	2,293,440	114,209	653,798	* 16,643	181,742	* 29,197
Contract labor	99,431	639,407	84,087	269,763	* 93	39,784	5,663
Depletion	* 9	1,758	* 84	1,118	* 38	* 51	0
Depreciation	97,325	643,579	35,807	175,627	2,804	22,202	6,545
Employee benefit programs	* 2,382	190,524	3,690	38,515	* 761	5,532	* 458
Insurance	11,506	534,511	18,585	77,232	1,764	12,624	495
Legal and professional services	32,677	517,766	21,074	243,297	11,903	17,653	3,345
Meals and entertainment deducted	17,760	455,863	18,451	120,095	10,771	19,308	6,524
Mortgage interest	* 3,364	113,483	11,660	14,403	* 94	* 563	* 165
Other interest paid on business indebtedness	6,727	265,266	34,835	83,972	2,247	9,826	1,734
Office expenses	48,510	962,648	28,237	175,682	2,405	21,377	6,698
Pension and profit-sharing plans	* 1,042	123,640	* 7,169	38,089	* 1,180	5,264	* 285
Rent paid on machinery and equipment	35,031	249,174	9,730	66,995	* 1,075	11,807	* 442
Rent paid on other business property	49,932	1,240,624	31,905	335,108	14,101	30,140	17,627
Repairs	5,065	210,628	11,994	32,886	197	3,938	* 2,255
Supplies	26,187	434,406	16,563	81,788	1,194	8,882	2,958
Salaries and wages	76,411	3,787,950	96,676	1,127,528	24,696	106,822	15,421
Taxes paid	9,528	495,348	21,636	138,377	3,792	16,940	1,587
Travel	64,664	587,079	21,968	223,955	36,538	14,415	7,950
Utilities	49,511	862,625	54,934	141,684	6,526	20,679	1,905
Other business deductions	202,132	5,041,823	346,525	2,308,274	221,334	266,270	91,310
Home office business deductions, total	98,996	294,005	20,088	84,966	4,101	5,405	* 365
Depreciation, Form 8829 [3]	5,555	34,216	* 3,220	10,936	* 906	1,014	* 61
Casualty loss, Form 8829 [3]	* 210	* 22	0	* 22	* [4]	0	0
Excess—casualty depreciations, Form 8829 [3]	0	4,801	* 1,810	* 1,162	* 94	* 12	0
Net income [1,2]	2,031,507	21,547,741	767,713	8,059,177	472,384	1,067,526	255,422
Returns with Schedule C-EZ:							
Number of returns	28,209	85,716	9,561	20,369	* 19	* 1,902	* 654
Business receipts	269,997	777,076	84,008	316,353	* 8,834	* 39,271	* 14,469
Business deductions	19,859	82,662	9,312	17,395	* 34	* 2,911	* 46
Net income	250,138	694,415	74,695	298,958	* 8,800	* 36,360	* 14,423

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Finance and insurance—continued					Real estate and rental and leasing	
	Securities, commodity contracts, and other financial investments—continued		Insurance agents, brokers, and related activities			Total	Real estate
	Securities and commodity exchanges	Other financial investment activities (investment advice)	Total	Insurance agencies and brokerages	Other insurance related activities		Total
	(85)	(86)	(87)	(88)	(89)	(90)	(91)
BUSINESSES WITH AND WITHOUT NET INCOME							
Number of returns [1]	355	150,738	441,771	338,253	103,518	1,278,868	1,217,101
Business receipts, total [1]	1,677,363	62,324,101	31,972,467	27,676,834	4,295,633	58,051,397	52,854,366
Income from sales and operations [1]	1,674,211	61,358,613	31,190,497	26,990,986	4,199,510	56,450,390	51,477,120
Other business income	* 3,152	965,489	781,971	685,848	96,123	1,601,007	1,377,246
Business deductions, total [1,2]	1,692,665	57,741,305	20,181,997	17,687,247	2,494,750	43,870,223	38,749,867
Cost of sales and operations, total	1,413,905	42,303,166	1,306,107	1,247,380	58,727	8,677,616	7,185,690
Inventory, beginning of year	* 112	300,197	77,466	73,378	* 4,088	3,137,078	2,926,624
Cost of labor	0	28,491	122,240	113,787	* 8,452	373,801	174,030
Purchases	* 1,227,017	31,481,601	350,829	336,653	14,176	4,406,571	3,691,813
Materials and supplies	* 71	300,983	46,886	32,494	* 14,392	593,659	487,905
Other costs	* 186,819	10,529,094	800,535	778,171	22,365	3,385,048	2,942,682
Inventory, end of year	* 114	337,199	91,850	87,103	* 4,747	3,218,542	3,037,364
Advertising expenses	* 520	164,114	815,062	755,483	59,579	2,104,615	2,043,034
Car and truck expenses	* 158	446,085	2,279,087	1,784,976	494,110	5,402,613	5,204,923
Commissions	* 946	750,985	2,055,541	1,838,059	217,482	2,673,098	2,639,917
Contract labor	* 6,293	376,117	338,791	279,746	59,045	1,098,261	1,025,104
Depletion	0	4,411	572	560	* 12	6,759	6,471
Depreciation	11,388	328,568	540,282	450,580	89,702	2,975,076	1,641,574
Employee benefit programs	* 19	42,463	158,955	145,751	13,204	92,041	84,977
Insurance	1,731	94,955	498,024	445,374	52,649	642,522	548,681
Legal and professional services	2,086	342,662	314,641	268,986	45,655	891,734	848,743
Meals and entertainment deducted	142	115,405	379,788	332,196	47,592	587,170	571,822
Mortgage interest	* 1,446	55,819	131,785	107,260	* 24,525	1,194,429	1,134,268
Other interest paid on business indebtedness	4,704	254,449	171,275	151,924	19,351	683,272	510,581
Office expenses	559	216,934	866,744	752,453	114,291	1,130,250	1,091,827
Pension and profit-sharing plans	* 282	32,606	79,676	73,375	6,300	26,158	25,674
Rent paid on machinery and equipment	* 25	64,788	185,098	171,829	13,269	507,601	414,685
Rent paid on other business property	* 978	338,042	952,214	868,924	83,289	1,275,456	1,076,041
Repairs	* 1,516	38,667	188,580	177,309	11,272	756,717	619,828
Supplies	94,293	105,838	379,208	337,978	41,229	827,529	740,302
Salaries and wages	* 16,610	1,301,300	2,806,766	2,677,594	129,172	1,879,639	1,574,098
Taxes paid	1,809	158,516	378,841	352,497	26,344	879,997	766,649
Travel	1,045	250,108	464,474	309,955	154,519	620,974	572,296
Utilities	1,010	168,687	769,015	685,866	83,150	1,474,866	1,379,747
Other business deductions	130,667	9,671,367	3,799,500	3,267,767	531,733	6,636,820	6,250,639
Home office business deductions, total	* 532	100,851	266,018	165,518	100,500	663,395	640,498
Depreciation, Form 8829 [3]	* 112	12,805	28,042	18,018	10,024	96,987	94,762
Casualty loss, Form 8829 [3]	0	* 839	* 250	* 193	* 57	* 258	* 258
Excess—casualty depreciations, Form 8829 [3]	* 36	7,455	21,603	13,199	8,404	95,647	95,245
Net income less deficit [1,2]	-15,302	4,581,990	11,790,845	9,989,961	1,800,883	14,272,167	14,131,187
Net income [1,2]	19,924	6,243,921	12,720,851	10,761,594	1,959,257	20,132,759	19,296,407
Deficit [2]	-35,226	-1,661,930	-930,006	-771,632	-158,374	-5,860,592	-5,165,220

Footnotes at end of table.

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Finance and insurance—continued					Real estate and rental and leasing	
	Securities, commodity contracts, and other financial investments—continued		Insurance agents, brokers, and related activities			Total	Real estate
	Securities and commodity exchanges	Other financial investment activities (investment advice)	Total	Insurance agencies and brokerages	Other insurance related activities		Total
						Total	
(85)	(86)	(87)	(88)	(89)	(90)	(91)	
BUSINESSES WITH NET INCOME							
Number of returns [1]	32	86,810	323,068	250,486	72,582	776,962	745,158
Business receipts, total [1]	517,187	20,066,864	28,896,322	25,129,756	3,766,566	46,885,202	43,082,600
Income from sales and operations [1]	517,178	19,363,438	28,161,507	24,476,666	3,684,841	45,813,401	42,143,473
Other business income	* 10	703,425	734,815	653,090	81,725	1,071,800	939,128
Business deductions, total [1,2]	* 497,263	13,818,740	16,178,606	14,371,297	1,807,309	26,763,522	23,790,841
Cost of sales and operations, total	* 454,336	8,422,985	1,035,969	994,495	41,474	4,977,408	3,738,803
Inventory, beginning of year	0	69,233	58,087	58,086	* 1	752,335	657,331
Cost of labor	0	15,182	91,334	87,440	* 3,894	248,727	67,036
Purchases	* 327,657	6,892,365	213,308	206,637	* 6,672	2,756,719	2,120,741
Materials and supplies	* 43	3,289	44,733	32,494	* 12,238	346,365	270,231
Other costs	* 126,636	1,530,217	699,176	678,887	* 20,289	1,678,724	1,331,578
Inventory, end of year	0	87,301	70,670	69,050	* 1,620	805,463	708,114
Advertising expenses	* 86	122,811	753,402	699,567	53,835	1,578,696	1,533,123
Car and truck expenses	* 91	256,549	1,835,636	1,438,677	396,959	3,708,905	3,597,308
Commissions	* 103	426,113	1,525,433	1,356,613	168,820	1,888,156	1,877,378
Contract labor	* 5,641	218,582	285,557	231,066	54,491	753,361	706,241
Depletion	0	1,029	556	544	* 12	6,253	6,011
Depreciation	* 8,534	135,542	432,145	360,772	71,373	1,308,104	875,648
Employee benefit programs	0	31,765	148,319	135,477	12,842	44,313	39,531
Insurance	* 618	61,731	438,694	402,451	36,242	387,709	328,585
Legal and professional services	* 1,025	209,371	253,395	219,316	34,079	480,590	464,586
Meals and entertainment deducted	* 50	83,442	317,317	281,091	36,226	448,289	436,861
Mortgage interest	* 661	12,921	87,419	86,073	* 1,347	373,574	357,858
Other interest paid on business indebtedness	* 306	69,858	146,459	128,808	17,651	276,283	199,523
Office expenses	* 90	145,113	758,729	671,428	87,301	785,554	758,645
Pension and profit-sharing plans	* 16	31,344	78,382	72,311	6,070	21,580	21,418
Rent paid on machinery and equipment	* 25	53,647	172,448	161,064	11,384	356,043	293,256
Rent paid on other business property	* 296	272,944	873,611	804,035	69,576	852,352	723,191
Repairs	* 1,515	24,981	165,748	158,715	7,033	397,564	341,033
Supplies	* 439	68,314	336,056	305,783	30,272	535,879	485,335
Salaries and wages	* 8,161	972,430	2,563,746	2,447,936	115,810	1,098,132	904,438
Taxes paid	* 972	115,086	335,335	315,048	20,287	474,448	397,760
Travel	* 213	164,839	341,156	249,917	91,239	389,958	354,740
Utilities	* 517	112,056	666,007	603,301	62,707	932,593	876,584
Other business deductions	* 13,083	1,716,276	2,387,025	2,099,297	287,728	4,096,023	3,905,196
Home office business deductions, total	* 486	74,610	188,951	114,450	74,501	435,819	421,671
Depreciation, Form 8829 [3]	* 101	8,854	20,059	13,065	6,994	49,861	48,040
Casualty loss, Form 8829 [3]	0	* 22	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	0	* 1,056	* 1,829	* 1,435	* 394	5,451	5,451
Net income [1,2]	19,924	6,243,921	12,720,851	10,761,594	1,959,257	20,132,759	19,296,407
Returns with Schedule C-EZ:							
Number of returns	0	17,794	55,786	38,276	17,509	110,636	102,498
Business receipts	0	253,778	376,716	237,766	138,950	940,055	893,052
Business deductions	0	14,403	55,955	37,906	18,049	161,614	151,797
Net income	0	239,376	320,761	199,860	120,901	778,440	741,255

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Real estate and rental and leasing—continued							
	Real estate—continued			Rental and leasing services				
	Lessors of real estate (including miniwarehouses and self storage)	Offices of real estate agents, brokers, property managers and appraisers	Other activities related to real estate	Total	Automotive equipment rental and leasing	Consumer electronics and appliances rental	Formal wear and costume rental	Video tape and disc rental
	(92)	(93)	(94)	(95)	(96)	(97)	(98)	(99)
BUSINESSES WITH AND WITHOUT NET INCOME								
Number of returns [1]	38,603	933,828	244,670	61,767	15,480	* 1,313	* 120	4,838
Business receipts, total [1]	1,899,159	39,199,345	11,755,862	5,197,031	783,258	* 22,035	* 62,724	535,595
Income from sales and operations [1]	1,810,290	38,365,515	11,301,315	4,973,270	774,132	* 22,035	* 62,669	534,336
Other business income	88,869	833,830	454,547	223,761	9,126	0	* 55	* 1,259
Business deductions, total [1,2]	2,035,271	25,933,546	10,781,050	5,120,357	790,047	* 4,372	* 56,595	499,540
Cost of sales and operations, total	158,051	2,799,398	4,228,241	1,491,926	286,619	0	* 19,513	168,757
Inventory, beginning of year	225,853	644,774	2,055,997	210,454	* 15,664	0	0	53,675
Cost of labor	* 2,279	104,021	67,730	199,772	* 13,928	0	0	* 678
Purchases	54,591	1,140,884	2,496,338	714,758	* 195,876	0	* 19,513	149,733
Materials and supplies	17,814	235,902	234,189	105,754	* 2,084	0	0	* 3,416
Other costs	92,001	1,375,383	1,475,298	442,366	72,919	0	0	* 203
Inventory, end of year	234,486	701,566	2,101,312	181,178	* 13,853	0	0	38,948
Advertising expenses	34,832	1,727,784	280,418	61,580	4,830	0	* 1,767	5,102
Car and truck expenses	65,578	4,294,234	845,111	197,689	52,393	* 1,711	* 427	22,925
Commissions	43,951	2,313,089	282,877	33,182	7,993	0	0	* 157
Contract labor	65,889	813,642	145,573	73,157	8,620	0	0	* 145
Depletion	* 274	1,344	4,854	288	* 123	0	0	0
Depreciation	308,134	938,202	395,238	1,333,503	220,274	0	* 6,538	14,103
Employee benefit programs	6,176	57,762	21,039	7,064	* 317	0	0	* 198
Insurance	59,659	382,372	106,650	93,841	13,969	0	* 814	5,163
Legal and professional services	47,112	604,767	196,864	42,991	6,807	* 81	* 333	2,025
Meals and entertainment deducted	9,099	471,790	90,933	15,348	1,379	* 1,829	* 192	* 156
Mortgage interest	376,941	404,668	352,659	60,161	9,394	0	0	* 3,861
Other interest paid on business indebtedness	55,003	238,153	217,425	172,691	26,169	0	* 394	* 1,760
Office expenses	23,404	914,058	154,365	38,423	1,430	* 5	* 99	4,716
Pension and profit-sharing plans	308	19,503	5,863	483	* 92	0	0	0
Rent paid on machinery and equipment	19,849	336,714	58,122	92,917	11,803	0	0	* 1,540
Rent paid on other business property	33,896	750,333	291,812	199,415	17,115	0	* 8,222	53,913
Repairs	101,673	365,704	152,451	136,889	9,236	0	* 245	7,072
Supplies	27,990	564,659	147,653	87,227	4,945	0	* 858	4,401
Salaries and wages	93,727	924,658	555,713	305,541	38,386	0	* 9,943	83,040
Taxes paid	127,042	459,035	180,572	113,348	4,123	0	* 2,690	24,021
Travel	15,538	396,423	160,335	48,678	1,083	0	* 581	* 1,871
Utilities	110,513	1,026,920	242,314	95,120	6,907	0	* 1,873	26,481
Other business deductions	224,261	4,500,388	1,525,990	386,181	47,000	0	* 2,106	66,345
Home office business deductions, total	21,402	514,000	105,096	22,897	* 1,634	0	0	* 1,789
Depreciation, Form 8829 [3]	1,960	77,523	15,279	2,224	* 202	0	0	* 51
Casualty loss, Form 8829 [3]	0	* 256	* 1	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	* 9,885	75,754	9,606	* 402	0	0	0	0
Net income less deficit [1,2]	-131,636	13,330,418	932,405	140,980	487	* 17,663	* 6,129	36,055
Net income [1,2]	314,198	16,010,274	2,971,936	836,352	76,854	* 17,663	* 7,477	61,065
Deficit [2]	-445,834	-2,679,855	-2,039,531	-695,372	-76,367	0	* -1,348	* -25,011

Footnotes at end of table.

Sole Proprietorship Returns, 2008

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Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2008—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Net income status, item	Real estate and rental and leasing—continued							
	Real estate—continued			Rental and leasing services				
	Lessors of real estate (including miniwarehouses and self storage)	Offices of real estate agents, brokers, property managers and appraisers	Other activities related to real estate	Total	Automotive equipment rental and leasing	Consumer electronics and appliances rental	Formal wear and costume rental	Video tape and disc rental
	(92)	(93)	(94)	(95)	(96)	(97)	(98)	(99)
BUSINESSES WITH NET INCOME								
Number of returns [1]	16,366	595,833	132,959	31,804	9,577	* 1,313	* 79	2,325
Business receipts, total [1]	1,063,194	34,435,160	7,584,247	3,802,601	501,922	* 22,035	* 61,725	420,238
Income from sales and operations [1]	998,446	33,823,020	7,322,007	3,669,929	501,714	* 22,035	* 61,675	420,201
Other business income	64,748	612,140	262,240	132,672	* 209	0	* 50	* 37
Business deductions, total [1,2]	748,645	18,429,121	4,613,075	2,972,680	431,784	* 4,372	* 54,249	359,173
Cost of sales and operations, total	23,376	2,011,386	1,704,041	1,238,604	* 186,409	0	* 19,513	* 113,860
Inventory, beginning of year	* 10,962	268,304	378,066	95,004	* 1,828	0	0	* 25,845
Cost of labor	* 49	59,140	7,847	181,691	* 127	0	0	* 678
Purchases	3,250	997,414	1,120,077	635,978	* 184,859	0	* 19,513	* 112,904
Materials and supplies	* 16,780	187,995	65,455	76,134	* 729	0	0	0
Other costs	6,509	797,968	527,102	347,146	* 966	0	0	* 203
Inventory, end of year	* 14,174	299,434	394,506	97,349	* 2,099	0	0	* 25,769
Advertising expenses	17,083	1,390,488	125,553	45,573	* 1,147	0	* 1,767	4,098
Car and truck expenses	29,646	3,153,033	414,629	111,597	36,903	* 1,711	* 427	11,625
Commissions	37,014	1,671,663	168,700	10,778	* 1,638	0	0	* 67
Contract labor	29,191	582,980	94,070	47,120	* 68	0	0	* 116
Depletion	* 21	1,322	4,668	* 242	* 111	0	0	0
Depreciation	130,287	583,553	161,808	432,456	95,974	0	* 6,166	* 9,304
Employee benefit programs	* 1,516	27,280	10,734	4,782	* 121	0	0	* 198
Insurance	25,685	253,270	49,631	59,124	9,377	0	* 727	* 4,463
Legal and professional services	8,602	384,745	71,239	16,004	1,076	* 81	* 155	1,375
Meals and entertainment deducted	7,046	374,393	55,423	11,428	* 742	* 1,829	* 192	* 93
Mortgage interest	117,469	168,750	71,639	15,716	* 6,898	0	0	* 534
Other interest paid on business indebtedness	13,663	118,601	67,258	76,759	9,071	0	* 394	* 958
Office expenses	9,835	656,700	92,111	26,909	339	* 5	* 99	3,798
Pension and profit-sharing plans	* 261	18,376	2,781	* 162	0	0	0	0
Rent paid on machinery and equipment	12,496	256,619	24,141	62,786	* 5,865	0	0	* 1,540
Rent paid on other business property	10,552	567,998	144,641	129,161	* 298	0	* 7,249	* 41,947
Repairs	34,598	260,190	46,245	56,531	4,245	0	* 177	5,971
Supplies	11,255	408,165	65,915	50,544	* 2,030	0	* 462	4,270
Salaries and wages	27,844	629,711	246,884	193,693	* 28,971	0	* 9,943	* 63,541
Taxes paid	62,680	270,593	64,486	76,688	799	0	* 2,675	* 13,974
Travel	4,318	267,102	83,320	35,218	* 401	0	* 581	* 1,691
Utilities	55,615	720,778	100,191	56,009	604	0	* 1,659	15,973
Other business deductions	61,177	3,180,481	663,538	190,827	30,328	0	* 2,065	57,987
Home office business deductions, total	13,150	359,387	49,134	14,147	* 965	0	0	* 1,789
Depreciation, Form 8829 [3]	* 442	42,543	5,056	* 1,821	* 201	0	0	* 51
Casualty loss, Form 8829 [3]	0	0	0	0	0	0	0	0
Excess—casualty depreciations, Form 8829 [3]	0	5,444	* 8	0	0	0	0	0
Net income [1,2]	314,198	16,010,274	2,971,936	836,352	76,854	* 17,663	* 7,477	61,065
Returns with Schedule C-EZ:								
Number of returns	5,960	67,241	29,298	8,138	4,003	* 656	0	0
Business receipts	38,494	547,848	306,710	47,003	14,399	* 1,039	0	0
Business deductions	^{1,2} 4,968	113,945	32,883	9,818	* 7,403	* 746	0	0
Net income	33,526	433,902	273,827	37,185	6,996	* 293	0	0

Footnotes at end of table.

