

Statistics of Income

SOI BULLETIN



Department of the Treasury
Internal Revenue Service

Volume 4, Number 2

Fall 1984

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Department of the Treasury
Internal Revenue Service

Publication 1136 (Rev. 10-84)

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The SOI Bulletin provides the earliest published annual financial statistics from various types of tax and information returns filed with the Internal Revenue Service. It also includes information from periodic or special analytical studies of particular interest to tax administrators. In addition, historical data are provided for selected types of taxpayers, as well as on gross internal revenue collections and other tax related items.

Information on the availability of additional unpublished data concerning the topics in this issue may be obtained by writing to the Statistics of Income Division, D:R:S, Internal Revenue Service, Washington, DC 20224.

In addition, special Statistics of Income tabulations based on income tax returns can be produced upon request on a reimbursable basis. Requests for this service should be addressed to the Director, Statistics of Income Division, at the address shown above.

Suggested Citation

Internal Revenue Service
Statistics of Income Bulletin,
Fall 1984
Washington, D.C. 1984

For sale by the Superintendent of Documents,
U.S. Government Printing Office,
Washington, D.C. 20402

COMMISSIONER OF INTERNAL REVENUE

Washington, DC 20224

October 19, 1984

The Honorable Donald T. Regan
The Secretary of the Treasury
Washington, DC 20220

Dear Mr. Secretary:

I am transmitting the Fall 1984 issue of the Statistics of Income Bulletin. This report has been produced in accordance with the mandate of section 6108 of the Internal Revenue Code which requires the preparation and publication of statistics reasonably available with respect to the operation of the internal revenue laws. Presented in this issue are recent financial and tax data obtained from tax returns and associated supporting schedules.

With kind regards,

Sincerely,


Acting Commissioner

Articles in Preparation for Upcoming Issues

- Individual Income Tax Returns, Preliminary 1983
- Personal Wealth, 1982
- Corporation Income Tax Returns, 1982
- Individual Income Tax Return Data by 3-Digit ZIP Code, 1982
- Fiduciary Income Tax Returns, 1982
- Foreign Tax Credit, 1980 (Country Data)
- Superfund for Environmental Taxes, 1983

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Estate Tax Returns, 1983

By Mary F. Bentz*

Estate tax returns filed during 1983 for deaths occurring primarily in 1982 were the first to reflect the tax reductions introduced by the Economic Recovery Tax Act of 1981 (ERTA). Taking into account the normal growth in the number of estates, the higher estate filing threshold mandated by ERTA resulted in a decrease in excess of the actual 16-percent fall in the overall number of returns filed from 1982 to 1983. While 119,864 decedents reported assets exceeding the filing threshold in 1982, only 100,890 decedents were subject to filing a return in 1983. However, 1983 filings showed more wealthy decedents: The number of returns reporting a gross estate of at least \$300,000 increased from 59,597 to 63,251 in 1983. These returns had assets totaling \$50.4 billion, up from the \$45.4 billion reported for 1982.

Despite a rise in both the number and wealth of these estates, the total estate tax liability decreased from \$6.2 billion in 1982 to \$5.2 billion in 1983. ERTA's liberalization of estate tax law was the major factor in reducing the tax liability. In 1983, over \$24 billion in allowable deductions reduced the taxable portion of the \$50 billion in total gross estate to \$26 billion. For 1982, about \$18 billion in

deductions was claimed against more than \$45 billion in assets with a final taxable amount of \$27.6 billion (Figure A).

Of the 63,251 estate tax returns filed during 1983 with \$300,000 or more of gross estate, 35,148, or 55 percent, were taxable (that is, had an estate tax due after credits), with a total gross estate of \$32.6 billion. Nontaxable returns had \$17.8 billion of gross estate (Figure B).

The asset composition of the estates varied considerably with the size of the estate. For estates of \$500,000 to \$1 million, real estate was the most important asset, accounting for 31 percent of all assets. Corporate stock and cash, at 20 percent and 15 percent, respectively, were the next most important components of these estates.

In contrast, corporate stock was the most important asset in the portfolios of those decedents with estates of \$1 million or more in assets. While corporate stock made up 31 percent of total asset holdings for these decedents, real estate represented only 21 percent. Lifetime gifts and bonds, representing 12 percent and 10 percent, respectively, of the

Figure A.--Number of Returns, With Gross Estate of \$300,000 or More, Gross Estate, Taxable Estate, and Estate Tax, 1982 and 1983

[All figures are estimates based on samples--money amounts are in millions]

Item	1982	1983	Change, number or amount	1982 to 1983 (percent)
	(1)	(2)	(3)	(4)
Number of returns	59,597	63,251	+3,654	+6%
Gross estate	\$45,412	\$50,390	+4,978	+11
Total deductions ¹	17,897	24,322	+6,425	+36
Taxable estate	27,568	26,235	-1,332	-5
Estate tax before credits	9,775	9,265	-510	-5
Estate tax after credits	6,226	5,170	-1,056	-17

¹Deductions may exceed gross estate on some returns.

*Foreign Special Projects Section. Prepared under the direction of Charles Crossed, Acting Chief.

Figure B.--Summary Statistics by Tax Status

[All figures are estimates based on samples--numbers of returns are in thousands; money amounts are in millions]

Item	Total	Taxable	Nontaxable
	(1)	(2)	(3)
Number of returns	63,251	35,148	28,103
Gross estate ¹	50,390	32,618	17,772
Real estate	12,009	7,078	4,931
Bonds, total	4,050	3,187	863
Federal savings	314	239	75
Other Federal	1,359	1,155	204
State and local	1,978	1,524	454
Corporate and foreign	399	269	130
Corporate stock	11,510	8,301	3,209
Cash	5,878	4,096	1,783
Notes and mortgages	1,904	1,094	810
Life insurance	1,952	650	1,302
Annuities	430	126	305
Noncorporate business assets	2,060	1,337	723
Household goods and other assets	2,079	1,453	626
Lifetime transfers	4,729	3,321	1,409
Total deductions	24,322	9,639	14,683
Funeral and administrative expenses and orphans deductions	1,602	1,319	283
Debts and mortgages (allowable)	3,210	1,758	1,452
Charitable bequests	2,545	1,611	935
Marital deduction	16,965	4,952	12,013
Taxable estate	26,235	22,979	3,256
Estate tax before credits	9,265	8,361	904
Total tax credits	4,095	3,191	904
Allowable unified credit	3,151	2,260	891
State death taxes	848	843	5
Other tax credits	96	87	8
Estate tax after credits	5,170	5,170	-

¹Asset detail does not add to total gross estate since it is not required to be reported for the estates of decedents with \$500,000 or less of gross estate who died after December 31, 1981.

total reported assets, were the next most important components of the estates of millionaires. Cash was considerably less important in the portfolios of wealthier decedents, making up only 8 percent of their total assets (see Figures C and D).

For returns filed in 1983, real estate exceeded corporate stock as the largest component of the total gross estates of those returns with \$300,000 or more in assets. (See the Data Sources and Limitations section for a discussion of the asset composition of returns with gross estate of \$500,000 or less.) This change in the composition of assets can be

traced over several years. For example, corporate stock, which represented 43 percent of all assets for 1972, fell to 25 percent of all assets by 1982. Meanwhile, real estate grew from 16 percent to 26 percent during the same period. This change may not be due so much to an actual shift in asset preferences as to changes in the value of certain assets. While the value of real estate reported on estate tax returns quadrupled from 1972 to 1982, the value of corporate stock increased by only about 34 percent. This reflects both the rising prices in the real estate market and the lack of growth in the stock market over that same period.

Figure C
Composition of Gross Estate by Size

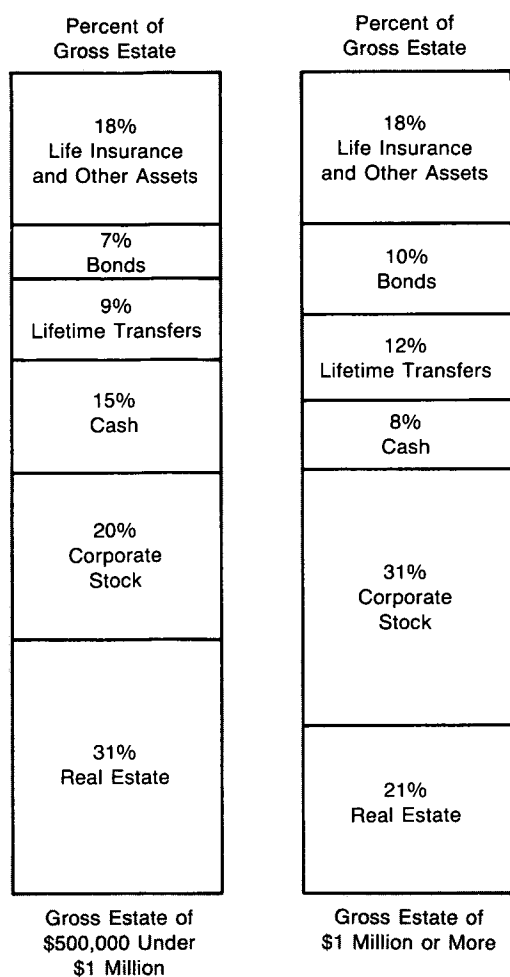
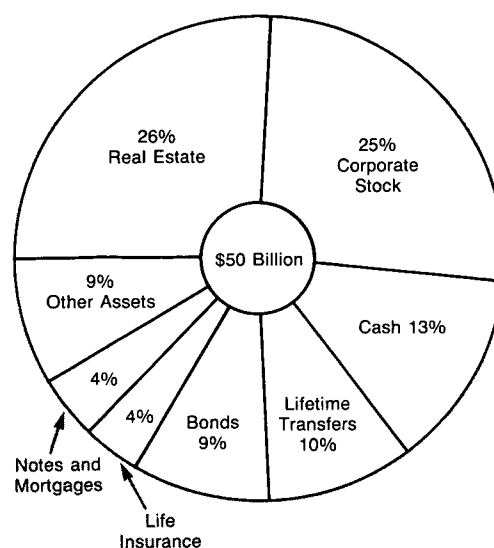


Figure D
Composition of Total Gross Estates



BRIEF HISTORY OF THE ESTATE TAX

The modern estate tax has been in effect since 1916. However, estate or inheritance taxes were instituted periodically in this country much earlier, usually as a temporary emergency measure to raise revenue during wartime. These taxes took the form of excises on transfers of wealth in order to avoid presumed constitutional restrictions on the direct taxation of wealth.

The first Federal involvement with a death tax dates to 1797 when, during a time of undeclared naval warfare with France, Congress levied a stamp tax on legacies, probates of

wills, and letters of administration. The stamp tax was repealed in 1802 when the crisis subsided. The death tax was reinstated again during the Civil War when from 1862 to 1870 an inheritance tax was imposed on an individual's privilege of inheriting real and personal property from a decedent. Rates varied with the relationship to the decedent of each heir, with a maximum tax rate of 6 percent of the inheritance. The Spanish-American War was the impetus for the next death tax, provided for under the War Revenue Act of 1898. This was the first true estate tax, levied not on the inheritors, but on the decedent for the privilege of leaving property to his or her heirs. The tax followed a graduated rate scale according to the amount of the bequest and the relationship of the heir to the decedent, with tax rates up to 15 percent with an exemption for estates under \$10,000. Fourteen years passed between the repeal of this wartime estate tax in 1902 and the beginning of the modern estate tax in 1916.

Today's estate tax was instituted by the Revenue Act of 1916, 3 years after the inception of the modern income tax in 1913. No longer necessary strictly for wartime revenue, the estate tax was to serve the dual purposes of producing revenue and redistributing wealth.

The 1916 legislation specifically levied the tax on the transfer of assets from the decedent to the heirs rather than on the value of assets

distributed to individual beneficiaries, making the levy an estate tax, not an inheritance tax. The relationship of the beneficiary to the decedent had no bearing on the tax liability; the tax ranged from 1 percent on small estates to 10 percent on estates greater than \$10 million, with a \$50,000 exemption. The basic structure has remained intact since 1916, although there have been some modifications to the tax since then. In particular, certain provisions have been added to provide for the special treatment of family farms and to include a deduction for bequests to the surviving spouse. See the text below for an explanation of the marital deduction for married decedents.

THE ECONOMIC RECOVERY TAX ACT OF 1981

Estate tax returns filed during 1983 were the first to reflect the tax reductions introduced by the Economic Recovery Tax Act of 1981 (ERTA). ERTA's changes to estate tax law took effect for decedents dying after December 31, 1981. As returns for individuals dying in 1982 were not generally filed until 1983, the estate tax return information for 1983 provides us with the first opportunity for analyzing the impact of ERTA.

The major estate tax changes made under ERTA were an increase in the unified credit for estate taxes, an elimination of the monetary ceiling on the estate tax marital deduction, and a reduction in the maximum estate tax rate. These provisions are described in greater detail in the following sections.

Unified Credit Increase

ERTA provided for a gradual increase in the unified credit, so called because it is used (in lieu of an exemption) for both estate and gift tax purposes as a dollar-for-dollar reduction of the estate or gift tax. (For a further explanation of the unified credit, see the Definitions section.) The unified credit was increased from the \$47,000 in effect for individuals dying in 1981 to a \$192,000 credit for those dying in 1987. In addition, the estate tax filing requirements were revised upward to reflect the increased unified credit amount; the filing requirement is that amount the tax on which is equal to the credit. If the gross estate of a decedent dying in 1981 exceeded \$175,000, an estate tax return was required to be filed. This figure was increased to \$225,000 in 1982, and will rise to \$600,000 for decedents dying in 1987 and thereafter. Upward adjustments in the unified credit and the filing requirement are to be phased in over a 6-year period as follows:

<u>Year of death</u>	<u>Unified credit</u>	<u>Filing requirement</u>
1981	\$47,000	\$175,000
1982	62,800	225,000
1983	79,300	275,000
1984	96,300	325,000
1985	121,800	400,000
1986	155,800	500,000
1987 and later	192,800	600,000

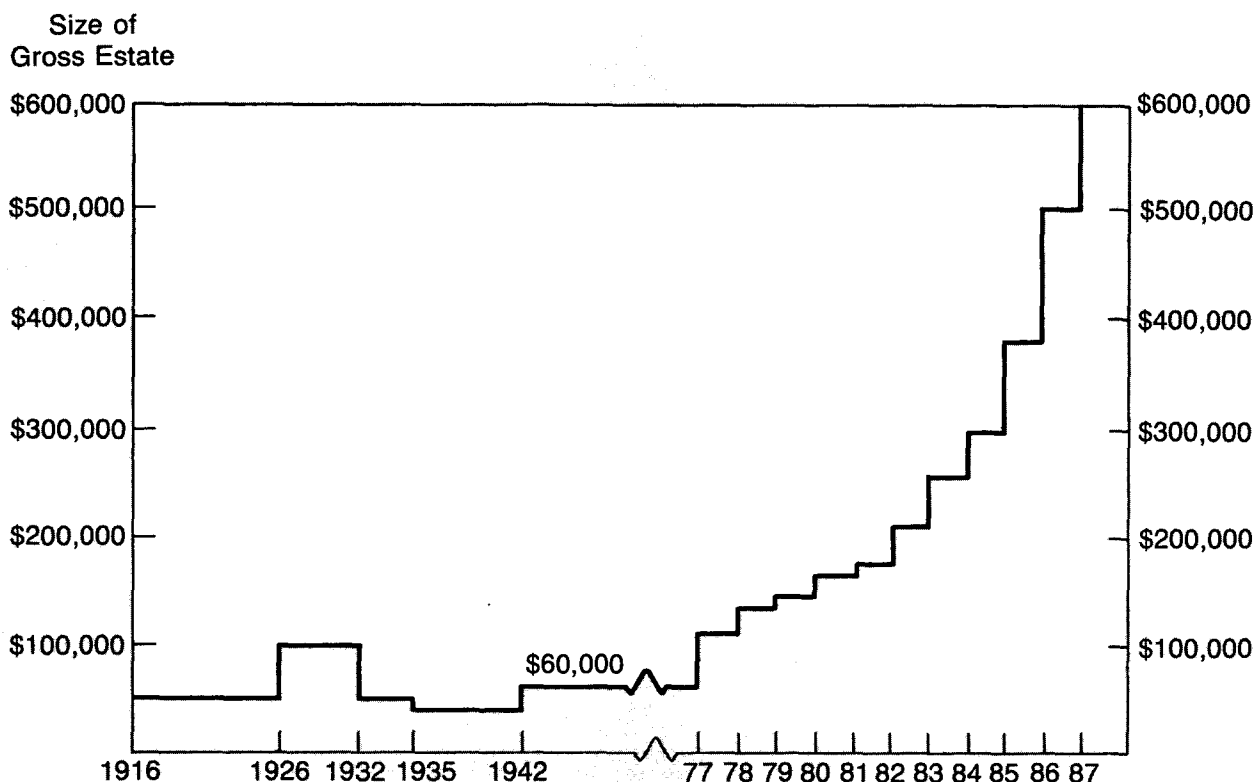
The increase in the estate filing requirement was part of a move begun in 1976 to return the scope of the tax to its original intent. The \$60,000 filing requirement in effect almost continuously for 60 years required returns from sizeable estates held by only a small percentage of individuals in the early years. However, in more recent years up to 1976, the \$60,000 filing requirement subjected the estates of many not-so-wealthy people to the tax as well. Figure E shows the filing requirements in effect since the inception of the tax in 1916. The following chart illustrates the percentage of total decedents for whom estate tax returns were filed in selected years.

<u>Year of filing</u>	<u>Returns filed as a percentage of all deaths (in previous years)</u>
1926	1.1%
1966	5.3
1977	10.5
1983	5.1

In the highest year, 1977, the 200,747 returns filed for citizens and resident aliens represented 10.5 percent of the 1,909,000 deaths occurring in 1976. With the recently increased filing requirement, it is expected that a smaller percentage of all decedents will be subject to the tax. As a result of the increased filing threshold, the number of estate tax returns filed decreased from 119,864 in 1982 to 100,890 in 1983. Returns filed in 1983 represented only 5.1 percent of the deaths occurring the previous year.

The effect of the increased unified credit amount will be to decrease the estate tax burden on those estates subject to the tax. The estates benefiting the most from the unified credit increase will be those with low to medium wealth. In these cases, the unified credit will serve to eliminate or decrease substantially the tax due.

Figure E
**Estate Tax Return Filing Requirements
 1916-1987**



Unlimited Marital Deduction

In community property states, property accumulated by a person during marriage belongs equally to that person and to the spouse regardless of which spouse holds legal title. In effect, only half as much property is included in the estate of a married decedent from a community property state as would appear in the same estate under common law. The estate tax marital deduction was enacted in 1948 to promote more equal treatment of estates in community property and common law states.

From 1977 until 1981, the allowable estate tax marital deduction was equal to the greater of \$250,000 or half the adjusted gross estate for property passing to a decedent's spouse. ERTA did away with the monetary ceiling on the estate marital deduction for the estate of decedents dying after 1981. Under the new law,

unlimited amounts, except for certain terminable interests (bequests of income for life), can be transferred to a surviving spouse free of estate tax. The effect of the unlimited marital deduction has been to decrease substantially the taxable estates of married decedents.

The marital deduction was by far the largest of all deductions reported in 1983, accounting for 70 percent of total deductions. This deduction was even more important for nontaxable estates. For those estates reporting no estate tax, the marital deduction represented 82 percent of the total deductions. The following chart shows the total number of returns compared to the number of returns electing the marital deduction, by tax status. While only 44 percent of all 1983 returns were exempt from the estate tax, 79 percent of those returns for which the marital deduction was claimed paid no tax.

	Total	Returns with marital deduction
All returns	63,251	32,247
Taxable	35,148	6,893
Nontaxable	28,103	25,354

Reduction in Maximum Tax Rate

Before 1981, the highest estate tax rate was 70 percent on assets in excess of \$5 million. The Act allowed a reduction in this rate to 50 percent, in 5-percent increments over a 4-year phase-in period. However, the recently enacted Tax Reform Act of 1984 delays the reduction 3 years, keeping the top rate at 55 percent through 1987, and reducing the rate to 50 percent for 1988 and later years. The following chart shows the new tax rate schedule:

For decedents dying in:	The maximum tax rate will be:
1982	65% on assets in excess of \$4 million
1983	60% on assets in excess of \$3.5 million
1984-1987	55% on assets in excess of \$3 million
1988 and thereafter	50% on assets in excess of \$2.5 million

SUMMARY

Estate tax returns filed in 1983 provided financial data about the wealthiest 3 percent of all decedents. In 1983, 63,251 decedents with individual estates valued at more than \$300,000 reported a combined \$50 billion in assets. Real estate was the most important component of the estates of these decedents, amounting to \$12 billion, or 26 percent of their total assets. The value of corporate stock nearly equalled that of real estate, with \$11.5 billion, or 25 percent of the assets. While the relative importance of these two assets in the total \$50 billion was very close, a distinction can be seen between the portfolios of small and large wealthholders. Individuals with \$500,000 to \$1 million in assets were more likely to hold larger amounts of real estate, while millionaires held more of their assets in the form of corporate stock.

While decedents filing estate tax returns in 1983 were wealthier than those filing in previous years, their tax liability decreased

from past years. This is a result of the tax law changes introduced by the Economic Recovery Tax Act of 1981 (ERTA), which reduced estate taxes and shifted the tax burden away from smaller wealthholders for individuals dying after 1981. ERTA's liberalization of rules covering filing requirements, deductions and credits allowed many of the smaller estates to reduce substantially or eliminate their tax liability. Also benefiting from ERTA were the estates of married decedents, for which an unlimited deduction equal to the amount of the bequests to the surviving spouse was allowed to decrease the taxable estate. All estates benefited from a lower marginal tax rate and an increased amount of credits allowed against the estate tax. These trends are expected to continue as the tax reductions introduced by the Economic Recovery Tax Act of 1981 (ERTA) take full effect.

DEFINITIONS

Brief definitions of some of the terms used in the tables are provided below:

Adjusted taxable estate.--Adjusted taxable estate was equal to the sum of total taxable estate and adjusted taxable gifts.

Adjusted taxable gifts.--Certain gifts made during the life of an individual who died before 1982 were automatically included in the gross estate. However, for the estate of an individual who died after 1981, gifts were not generally included in the gross estate. In these estates, the gifts were included in the amount of the adjusted taxable gifts and combined with adjusted taxable estate for the purposes of determining the tentative tax.

Alternate value of gross estate.--All property included in the gross estate could be valued at one of basically two points in time. While the value of the gross estate at the date of death determined whether an estate tax return was required to be filed, the executor of the estate had the option of valuing the estate as of the date of death or six months after the decedent's death. (Any property sold, exchanged or otherwise disposed of within six months was valued as of the date of the disposition.)

Bequests to surviving spouse.--Bequests to surviving spouse was equal to the value of property interests passing from the decedent to the surviving spouse.

Date-of-death value of gross estate.--The amount of property in this category was the fair-market value of all the assets at the death of the decedent. Although this value was used as a criterion for filing an estate tax return, it was not the only measure that could be used in valuing property for estate tax purposes. See also "alternate value."

Estate tax after credits.--This was the tax liability of the estate remaining after subtraction of credits for state death taxes, foreign death taxes, and Federal gift taxes on pre-1977 gifts paid by the decedent or paid by a spouse or other transferors whose death preceded the decedent's. In addition, a "unified credit," graduated according to the year of death and a "credit" for gift taxes paid on post-1976 gifts, is allowed. See also "unified credit."

Estate tax before credits.--This was the tax obtained by applying the graduated estate tax rates to the adjusted taxable estate and reducing the tax by the amount of gift taxes previously paid. The rates ranged from 18 percent on the first \$10,000 of taxable estate up to 70 percent of taxable estates of \$5 million or more. The Economic Recovery Tax Act of 1981 (ERTA) introduced a graduated reduction in the tax rates. See the section entitled Reduction in Maximum Tax Rate for more details.

Gift taxes previously paid.--Credit was allowed against the estate tax for the Federal gift tax paid on a gift made by a decedent before 1977. No credit, separate from the unified credit, was allowed for any gift tax paid on gifts made after 1976.

Gross estate.--An estate tax return was required in the case of every decedent whose gross estate exceeded the legal filing requirement in effect for the year of death. For estate tax purposes, the gross estate included all property or interests in property before reduction by debts (except policy loans against insurance) and mortgages, or by administration expenses. Included in the gross estate were such items as real estate, tangible and intangible personal property, certain lifetime gifts made by the decedent, property in which the decedent had a general power of appointment, the decedent's interest in annuities receivable by the surviving beneficiary, the decedent's share in community property, life insurance proceeds (even though payable to beneficiaries other than the estate), dower or curtesy of the surviving spouse (inherited property), and, with certain exceptions, joint estates with right of survivorship and tenancies by the entirety.

Jointly owned property.--Jointly owned property was property held by the decedent with another person or persons with rights of survivorship. Jointly owned property is reflected in each of the property types shown in this article and, in addition, is shown separately (in total only) in Table 1.

Lifetime transfers.--Included in this item were two categories of gifts that, by law, had to be reported in gross estate: gifts taking effect at death, and gifts of property in which the decedent retained some rights.

Marginal tax rate.--See the discussion under "Taxable estate."

Marital deduction.--The marital deduction is a deduction from the gross estate of the value of property that is included in the gross estate but that passes to the surviving spouse.

Net worth.--Net worth was equal to the total gross estate less debts and mortgages.

Nontaxable returns.--Nontaxable returns were those with no estate tax after credits.

Tax on prior transfers.--A tax credit was allowed for Federal estate tax paid on property received by the decedent or the estate from a transferor who died within 10 years before, or 2 years after, the decedent. The credit was intended to lessen the burden of double taxation between successive estates whose owners had died within a short period of time. Depending on the time that has elapsed between the deaths, a credit is allowed for all or part of the Federal estate tax paid by the transferor's estate with respect to the transfer.

Taxable estate.--Taxable estate is the base to which the graduated Federal estate tax rates are applied in computing the estate tax before credits. Taxable estate is equal to the value of the gross estate less deductions allowed for the following: funeral and administrative expenses; casualty and theft losses; debts, mortgages, losses, and other claims against the estate, including pledges to charitable organizations; an orphan's deduction (for the estates of individuals dying before 1982); and the marital deduction.

Taxable returns.--Taxable returns were those with an amount of estate tax after credits.

Unified credit.--The unified credit, so called because it is used for both estate and gift tax purposes, is applied as a dollar-for-dollar reduction of the estate tax. The credit must be used to offset gift taxes on lifetime transfers made after 1976. However, to the extent it is so used, the amount of credit available at death is reduced.

DATA SOURCES AND LIMITATIONS

The data provided in this article are based on a sample, selected before audit, of 19,122 Federal estate tax returns filed during 1983. The sample, which represents approximately 63,000 decedents, was limited to those returns with at least \$300,000 of gross estate because of the annual increase in the filing requirement and in order to facilitate comparison with previous years' returns reporting this level of wealth.

Because the data are based on a sample of estate tax returns filed with the Internal Revenue Service (IRS), they are subject to sampling as well as nonsampling error. The following table below presents an estimate of the sampling error for IRS data expressed as a coefficient of variation (C.V.). The approximate coefficients of variation shown here are intended only as a general indication of the reliability of the data. See the Appendix for further discussion of SOI sample procedures and data limitations.

<u>Estimated Number of Returns</u>	<u>Approximated Coefficient of Variation</u>
302,650	0.02
48,420	0.05
12,110	0.10
3,030	0.20
1,940	0.25
990	0.35
480	0.50

Only about 19 percent of the estate tax returns filed during 1983 were for persons dying in 1983. Because the executors of most estates take advantage of the full 9-month period within which the return must be filed and the tax must be paid, most returns are not received at IRS service centers until at least 9 months after the person's death. In addition, those estates that petition for and receive approval for an extension of time to file need not submit the return until 6 months after the original filing deadline.

Delinquency can also cause a delay in filing. For these reasons, the majority (approximately 75 percent) of the returns filed during 1983 were for deaths occurring in 1982. The following chart shows the number and percentages of decedents by year of death, for returns filed in 1983.

<u>Year of death</u>	<u>Returns filed in 1983</u>	
	<u>Number</u>	<u>Percent of total</u>
1980 or prior year ...	471	0.7%
1981	3,040	4.8
1982	47,493	75.1
1983	12,247	19.4
Total	63,251	100.0

Noted that the sum of the asset amounts for those returns with \$300,000 to \$500,000 of gross estate will be less than the total gross estate amount for this group, the reason being that detailed asset information is not required to be filed for decedents who died after December 31, 1981, and left a gross estate of \$500,000 or less. However, some or all of this information may have been supplied voluntarily. In fact, about \$9.4 billion of the total \$13.2 billion in assets belonging to this group has been allocated to the proper asset amounts.

While detailed deduction information is also not required to be supplied for estates of \$500,000 or less, deduction amounts can be obtained from other information reported on the return. However, because some adjustments had to be made, deduction amounts otherwise reported as "administrative expenses and losses" have been included with "funeral expenses and orphan's deductions."

ADDITIONAL INFORMATION

Additional information on estates may be obtained by writing to the Statistics of Income Division, D:R:S, Internal Revenue Service, Washington, DC 20224.

Table 1.--Gross Estate by Type of Property, Deductions, Taxable Estate, Estate Tax and Tax Credits, by Size of Gross Estate

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

Size of gross estate	Number of returns	Gross estate	Type of property							
			Real estate		Corporate stock		Cash		Bonds	
			Number	Amount	Number	Amount	Number	Amount	Total	
									Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All returns, total	63,251	50,390,376	43,302	12,009,136	40,263	11,509,783	51,126	5,878,497	26,946	4,049,886
\$300,000 through \$500,000	34,744	13,195,025	19,488	2,977,255	17,298	1,422,891	23,316	2,006,649	11,071	623,937
Over \$500,000, total	28,507	37,195,351	23,814	9,031,882	22,965	10,086,892	27,810	3,871,848	15,875	3,425,949
\$500,001 under \$1,000,000	19,266	13,191,296	16,136	4,082,737	14,848	2,683,597	18,725	2,008,199	9,927	970,929
\$1,000,000 under \$2,500,000	6,944	10,150,330	5,732	2,520,536	6,114	2,725,261	6,815	1,098,878	4,492	1,006,581
\$2,500,000 under \$5,000,000	1,625	5,572,915	1,363	1,370,227	1,391	1,653,187	1,607	341,439	970	457,119
\$5,000,000 under \$10,000,000	446	3,011,997	392	519,830	404	1,006,736	440	187,624	319	370,799
\$10,000,000 or more	226	5,268,813	191	538,552	209	2,018,111	222	235,707	167	620,520
Taxable returns, total	35,148	32,618,190	23,439	7,077,995	23,190	8,300,678	29,097	4,095,546	16,970	3,187,018
\$300,000 through \$500,000	17,105	6,589,336	8,755	1,362,281	8,520	761,892	11,358	1,191,065	5,943	373,943
Over \$500,000, total	18,043	26,028,854	14,684	5,715,714	14,670	7,538,786	17,739	2,904,481	11,026	2,813,075
\$500,001 under \$1,000,000	11,678	8,019,479	9,440	2,233,217	9,109	1,741,538	11,467	1,446,729	6,686	727,273
\$1,000,000 under \$2,500,000	4,589	6,747,093	3,770	1,687,500	4,020	1,837,520	4,513	813,006	3,127	751,972
\$2,500,000 under \$5,000,000	1,223	4,239,131	993	1,004,407	1,034	1,375,750	1,211	270,501	798	393,740
\$5,000,000 under \$10,000,000	357	2,397,107	311	368,304	323	805,236	353	158,597	267	346,304
\$10,000,000 or more	195	4,626,044	169	422,286	185	1,778,742	194	215,647	148	593,787

Size of gross estate	Type of property--Continued						Type of deductions			
	Bonds--Continued			Lifetime transfers		Other property	Total	Funeral expenses and orphans deduction		Administrative expenses and losses
	State and local		Other							
	Number	Amount	Amount	Number	Amount	Amount	Amount	Number	Amount	Amount
		(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
All returns total,	13,636	1,977,985	2,071,900	8,671	4,729,348	8,425,840	24,321,929	59,187	345,625	1,256,035
\$300,000 through \$500,000	4,262	164,339	459,598	2,684	513,852	1,862,554	5,473,781	32,139	206,764	240,110
Over \$500,000, total	9,374	1,813,646	1,612,303	5,987	4,215,495	6,563,287	18,848,148	27,048	138,862	1,015,925
\$500,001 under \$1,000,000	5,193	406,475	564,454	3,577	1,235,198	2,210,636	5,732,397	18,165	74,562	361,352
\$1,000,000 under \$2,500,000	3,021	524,154	482,427	1,702	1,074,534	1,724,541	4,862,451	6,666	29,374	258,144
\$2,500,000 under \$5,000,000	778	293,128	163,991	455	674,413	1,076,529	2,903,434	1,571	30,168	139,631
\$5,000,000 under \$10,000,000	250	222,352	148,448	154	393,599	533,408	1,689,640	430	3,057	96,670
\$10,000,000 or more	132	367,537	252,983	99	837,751	1,018,171	3,660,225	215	1,702	160,129
Taxable returns, total	8,544	1,523,897	1,663,121	5,759	3,320,625	4,659,337	9,639,119	34,450	227,377	1,091,267
\$300,000 through \$500,000	2,125	83,186	290,757	1,478	320,419	602,744	651,529	16,808	129,244	175,268
Over \$500,000, total	6,419	1,440,711	1,372,365	4,281	3,000,206	4,056,593	8,987,590	17,641	98,132	916,000
\$500,001 under \$1,000,000	3,477	276,534	450,739	2,536	848,891	1,021,831	1,491,056	11,410	45,334	308,829
\$1,000,000 under \$2,500,000	1,953	362,576	389,396	1,248	713,688	943,408	1,787,024	4,493	20,310	229,946
\$2,500,000 under \$5,000,000	655	243,029	150,710	282	417,564	777,169	1,608,293	1,198	28,334	131,981
\$5,000,000 under \$10,000,000	214	205,230	141,074	132	330,228	388,438	1,080,255	353	2,600	93,719
\$10,000,000 or more	120	353,342	240,444	84	689,834	925,749	3,020,962	187	1,554	151,525

Table 1.--Gross Estate by Type of Property, Deductions, Taxable Estate, Estate Tax and Tax Credits, by Size of Gross Estate--Continued
 [All figures are estimates based on samples--money amounts are in thousands of dollars]

Size of gross estate	Type of deduction--Continued								Taxable estate	
	Debts and mortgages (allowable)		Charitable bequests		Marital deduction					
					Year of death of decedent					
					1981 or prior years		1982 or later			
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
All returns, total	53,979	3,209,924	9,949	2,545,408	1,935	766,473	30,312	16,198,462	55,588	26,235,379
\$300,000 through \$500,000	28,350	576,785	4,711	304,441	1,419	325,084	15,790	3,820,598	29,707	7,766,882
Over \$500,000, total	25,629	2,632,726	5,238	2,240,967	516	441,390	14,522	12,377,864	25,881	18,468,497
\$500,001 under \$1,000,000	17,163	775,568	3,043	350,107	293	84,893	9,603	4,085,916	17,274	7,522,747
\$1,000,000 under \$2,500,000	6,274	696,079	1,436	361,381	**189	**210,972	**4,561	**5,225,638	6,398	5,316,918
\$2,500,000 under \$5,000,000	1,549	552,828	465	261,670	**	**	**	**	1,567	2,688,045
\$5,000,000 under \$10,000,000	428	285,264	184	265,266	20	46,250	233	993,132	423	1,331,127
\$10,000,000 or more	215	323,400	110	1,002,544	14	99,273	125	2,073,177	219	1,609,660
Taxable returns, total	32,553	1,757,911	6,804	1,610,890	610	461,807	6,283	4,489,868	35,148	22,979,069
\$300,000 through \$500,000	15,422	174,667	2,716	48,907	115	27,090	1,515	96,353	17,105	5,937,806
Over \$500,000, total	17,131	1,583,244	4,088	1,561,983	**495	**434,716	**4,768	**4,393,515	**18,043	17,041,264
\$500,001 under \$1,000,000	11,001	335,582	2,278	103,544	**	**	**	**	**	6,528,423
\$1,000,000 under \$2,500,000	4,400	379,445	1,151	179,304	**	**	**	**	**	4,960,069
\$2,500,000 under \$5,000,000	1,191	413,057	396	154,823	**	**	**	**	**	2,630,838
\$5,000,000 under \$10,000,000	349	186,419	161	185,947	**	**	**	**	**	1,316,853
\$10,000,000 or more	189	268,741	102	938,363	**	**	**	**	**	1,605,081

Size of gross estate	Adjusted taxable gifts		Adjusted taxable estate	Estate tax before credits	Tax credits				Estate tax after credits	
					Total tax credits	Allowable unified credit	State death taxes	Other		
	Number	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Number	Amount
	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
All returns, total	2,905	247,948	26,483,327	9,264,784	4,094,754	3,151,022	847,968	95,763	35,148	5,169,985
\$300,000 through \$500,000	763	40,244	7,807,125	2,282,193	1,710,684	1,612,915	87,799	9,969	17,105	571,509
Over \$500,000, total	2,141	207,704	18,676,202	6,982,591	2,384,070	1,538,106	760,169	85,795	18,043	4,598,476
\$500,001 under \$1,000,000	1,005	73,673	7,596,420	2,385,512	1,184,232	1,006,063	150,628	27,541	11,678	1,201,280
\$1,000,000 under \$2,500,000	609	47,476	5,364,394	1,892,106	618,024	395,651	186,618	35,754	4,589	1,274,037
\$2,500,000 under \$5,000,000	337	45,627	2,733,671	1,119,268	254,368	96,648	144,672	13,049	1,223	864,899
\$5,000,000 under \$10,000,000	107	17,171	1,348,298	656,402	129,886	26,090	99,702	4,094	357	526,516
\$10,000,000 or more	83	23,758	1,633,419	929,304	197,559	13,654	178,549	5,356	195	731,745
Taxable returns, total	2,213	198,029	23,177,098	8,360,506	3,190,521	2,260,299	842,761	87,461	35,148	5,169,985
\$300,000 through \$500,000	452	19,644	5,957,450	1,782,116	1,210,607	1,117,281	85,698	7,627	17,105	571,509
Over \$500,000, total	1,761	178,385	17,219,648	6,578,390	1,979,914	1,143,018	757,064	79,832	18,043	4,598,476
\$500,001 under \$1,000,000	863	68,448	6,596,871	2,109,340	908,060	733,731	148,616	25,713	11,678	1,201,280
\$1,000,000 under \$2,500,000	509	42,387	5,002,456	1,791,110	517,074	297,966	185,887	33,221	4,589	1,274,037
\$2,500,000 under \$5,000,000	211	27,499	2,658,337	1,097,744	232,845	76,660	144,379	11,807	1,223	864,899
\$5,000,000 under \$10,000,000	101	16,797	1,333,649	652,257	125,742	22,372	99,635	3,735	357	526,516
\$10,000,000 or more	77	23,253	1,628,335	927,938	196,193	12,290	178,547	5,356	195	731,745

**Data combined to avoid disclosure of information for specific returns.

NOTE: Asset detail does not add to total gross estate since it is not required to be reported for the estates of decedents with \$500,000 or less of gross estate, who died after December 31, 1981. To the extent that this information was filed voluntarily, it is presented in this table. Detail may not add to total because of rounding.

Estate Tax Returns, 1983

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Table 2.--Gross Estate by Type of Property, and by Size of Net Worth

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

Size of net worth	Number of returns	Gross estate	Debts and mortgages		Net worth	Type of property			
						Real estate		Bonds	
			Total						
			Number of returns	Amount		Number of returns	Amount		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
Total 1/.....	63,251	50,390,375	53,999	3,228,740	47,161,635	43,302	12,009,135	26,946	4,049,885
Deficit and under \$300,000 1/.....	4,520	1,706,793	4,520	611,013	1,095,780	3,247	708,128	731	20,804
\$300,000 under \$500,000 1/.....	32,287	12,833,486	25,913	537,396	12,296,089	18,134	2,889,995	10,926	636,335
\$Over \$500,000, total.....	26,442	35,850,095	23,564	2,080,329	33,769,765	21,918	8,411,010	15,287	3,392,743
\$500,001 under \$1,000,000.....	18,048	12,934,426	15,944	662,629	12,271,796	15,028	3,864,272	9,701	971,987
\$1,000,000 under \$2,500,000.....	6,365	10,061,444	5,695	731,427	9,330,017	5,196	2,571,180	4,218	1,009,491
\$2,500,000 under \$5,000,000.....	1,430	5,034,190	1,354	269,749	4,764,440	1,177	1,036,780	932	468,591
\$5,000,000 under \$10,000,000.....	401	2,874,010	383	183,900	2,690,110	350	474,400	284	156,106
\$10,000,000 or more.....	196	4,946,023	185	232,621	4,713,401	165	464,376	150	586,566

Size of net worth	Type of property--Continued							
	Bonds--Continued							
	Federal savings		Other Federal		State and local		Corporate and Foreign	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
Total 1/.....	8,088	313,943	9,229	1,358,892	13,636	1,977,985	11,779	399,065
Deficit and under \$300,000 1/.....	202	2,959	153	6,419	373	8,184	147	3,238
\$300,000 under \$500,000 1/.....	3,691	93,222	3,861	266,646	4,119	168,166	4,573	108,299
\$Over \$500,000, total.....	4,194	217,759	5,213	1,085,825	9,141	1,801,632	7,057	287,526
\$500,001 under \$1,000,000.....	2,921	146,928	3,037	297,160	5,210	407,775	4,445	120,121
\$1,000,000 under \$2,500,000.....	965	43,287	1,658	339,806	2,829	533,417	2,100	92,979
\$2,500,000 under \$5,000,000.....	239	15,365	317	129,066	755	291,322	328	32,836
\$5,000,000 under \$10,000,000.....	44	11,220	128	118,514	229	213,588	111	12,783
\$10,000,000 or more.....	23	957	71	201,276	117	355,526	69	28,805

Size of net worth	Type of property--Continued							
	Corporate stock		Cash		Notes and mortgages		Life insurance	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
Total 1/.....	40,263	11,509,782	51,125	5,878,496	19,956	1,904,021	36,974	1,952,038
Deficit and under \$300,000 1/.....	2,364	102,471	3,413	130,890	1,348	87,784	3,160	183,027
\$300,000 under \$500,000 1/.....	16,420	1,465,053	21,885	1,987,058	6,816	338,941	18,886	787,471
\$Over \$500,000, total.....	21,476	9,942,257	25,825	3,760,546	11,789	1,477,294	14,926	981,539
\$500,001 under \$1,000,000.....	14,087	2,706,380	17,569	2,015,091	7,682	563,557	10,065	545,470
\$1,000,000 under \$2,500,000.....	5,637	2,691,458	6,253	1,019,468	2,956	465,375	3,660	301,938
\$2,500,000 under \$5,000,000.....	1,207	1,628,008	1,414	350,254	804	218,918	854	71,161
\$5,000,000 under \$10,000,000.....	362	1,011,080	395	155,497	223	107,669	234	44,322
\$10,000,000 or more.....	182	1,905,329	192	220,234	122	121,774	112	18,646

Size of net worth	Type of property--Continued							
	Annuities		Noncorporate business assets		Household goods and other assets		Lifetime transfers	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
Total 1/.....	7,575	430,463	14,828	2,060,145	47,866	2,079,169	8,671	4,729,347
Deficit and under \$300,000 1/.....	532	11,047	1,197	71,598	3,091	47,405	230	44,768
\$300,000 under \$500,000 1/.....	2,910	98,743	5,060	270,372	20,232	344,227	2,663	526,254
\$Over \$500,000, total.....	4,131	320,670	8,568	1,718,174	24,540	1,687,535	5,776	4,158,323
\$500,001 under \$1,000,000.....	2,972	201,233	5,292	358,989	16,785	474,243	3,488	1,233,202
\$1,000,000 under \$2,500,000.....	921	81,173	2,289	500,806	5,780	357,577	1,616	1,062,974
\$2,500,000 under \$5,000,000.....	147	22,089	687	382,743	1,392	190,612	443	665,029
\$5,000,000 under \$10,000,000.....	57	13,249	199	167,049	393	163,118	138	381,515
\$10,000,000 or more.....	32	2,925	100	308,586	189	501,984	90	815,600

1/Asset detail does not add to total gross estate since it is not required to be reported for the estates of decedents with \$500,000 or less of gross estate who died after December 31, 1981. To the extent that this information was filed voluntarily, it is presented in this table.

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

Estate Tax Returns, 1983

Table 3.--All Decedents: Number of Returns and Gross Estate, by Sex and Marital Status of Decedent, and by Size of Gross Estate

[All figure are estimates based on samples--money amounts are in thousands of dollars]

Marital status and size of gross estate	All decedents				Male decedents	
	Number of returns	Gross estate	Estate tax after credits		Number of returns	Gross estate
			Number of returns	Amount		
	(1)	(2)	(3)	(4)	(5)	(6)
All decedents, total.....	63,251	50,390,376	35,148	5,169,985	38,774	32,429,386
\$300,000 through \$500,000.....	34,744	13,195,025	17,105	571,509	20,613	7,796,981
\$500,001 under \$1,000,000.....	19,266	13,191,296	11,678	1,201,280	12,108	8,308,250
\$1,000,000 or more.....	9,241	24,004,055	6,364	3,397,196	6,053	16,324,155
Married decedents, total.....	33,835	28,552,205	8,210	1,347,915	28,434	24,484,130
\$300,000 through \$500,000.....	17,851	6,714,958	2,048	43,363	14,781	5,571,839
\$500,001 under \$1,000,000.....	10,651	7,355,501	3,521	244,136	9,051	6,240,000
\$1,000,000 or more.....	5,333	14,481,745	2,641	1,060,416	4,602	12,672,291
Widowed decedents, total.....	22,822	16,643,974	21,438	2,948,505	6,538	4,792,632
\$300,000 through \$500,000.....	13,203	5,046,732	12,181	426,070	3,760	1,424,793
\$500,001 under \$1,000,000.....	6,698	4,537,749	6,436	773,455	1,935	1,297,715
\$1,000,000 or more.....	2,922	7,059,493	2,821	1,748,981	843	2,070,124
Single decedents, total.....	4,171	3,164,920	3,399	525,194	**3,802	**3,152,624
\$300,000 through \$500,000.....	2,418	944,034	1,852	71,056	**2,073	**800,349
\$500,001 under \$1,000,000.....	1,081	719,638	926	101,049	**1,121	**770,535
\$1,000,000 or more.....	672	1,501,248	620	353,088	**608	**1,581,740
Other decedents, total ^{1/}	2,423	2,029,278	2,101	348,370	**	**
\$300,000 through \$500,000.....	1,272	489,301	1,023	31,019	**	**
\$500,001 under \$1,000,000.....	836	578,407	795	82,640	**	**
\$1,000,000 or more.....	315	961,570	282	234,711	**	**

Marital status and size of gross estate	Male decedents--Continued		Female decedents			
	Estate tax after credits		Number of returns	Gross estate	Estate tax after credits	
	Number of returns	Amount			Number of returns	Amount
	(7)	(8)	(9)	(10)	(11)	(12)
All decedents, total.....	15,661	2,506,160	24,478	17,960,990	19,488	2,663,825
\$300,000 through \$500,000.....	6,115	195,602	14,130	5,398,044	10,991	375,907
\$500,001 under \$1,000,000.....	5,860	530,683	7,158	4,883,046	5,818	670,597
\$1,000,000 or more.....	3,686	1,779,875	3,189	7,679,900	2,678	1,617,321
Married decedents, total.....	6,510	1,156,205	5,401	4,068,075	1,701	191,711
\$300,000 through \$500,000.....	1,234	25,904	3,070	1,143,120	814	17,460
\$500,001 under \$1,000,000.....	2,966	204,277	1,600	1,115,501	554	39,859
\$1,000,000 or more.....	2,309	926,024	731	1,809,454	332	134,392
Widowed decedents, total.....	6,071	809,522	16,284	11,851,342	15,367	2,138,982
\$300,000 through \$500,000.....	3,394	122,395	9,443	3,621,939	8,787	303,674
\$500,001 under \$1,000,000.....	1,864	214,150	4,763	3,240,034	4,572	559,305
\$1,000,000 or more.....	813	472,977	2,078	4,989,369	2,008	1,276,003
Single and other ^{1/} decedents, total..	**3,079	**540,432	**2,792	**2,041,574	**2,420	**333,132
\$300,000 through \$500,000.....	**1,486	**47,302	**1,617	**632,986	**1,390	**54,773
\$500,001 under \$1,000,000.....	**1,030	**112,257	**796	**527,510	**692	**71,432
\$1,000,000 or more.....	**563	**380,873	**379	**881,078	**339	**206,926

^{1/}Includes legally separated, divorced, and "Marital Status Unstated" decedents.

**Data combined to avoid disclosure of information for specific returns.

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

Projections of Returns to be Filed in Fiscal Years 1985-1992

By Evan Soffer*

Filings of primary tax returns and supplemental documents processed by the Internal Revenue Service (IRS) are projected to reach 181.9 million in 1985, a 4.2 percent increase over the estimated 174.5 million filings in 1984 [1]. This 1985 returns projection, driven by a significant increase in individual income tax filings, represents a peak in the rate of growth in total filings during the 1985-to-1992 forecast interval. After posting a 3.2-percent advance in 1986, the year-to-year increase in total returns to be processed by IRS is projected to decelerate progressively from 2.6 percent in 1987 to 2.0 percent in 1992.

Employment is a crucial determinant for estimating several of the different types of tax returns filed, especially individual returns. The 1984 employment estimate used by IRS, which was obtained from Data Resources, Inc. (DRI), shows that the United States will realize a 4.6 million increase in total employment during 1984 relative to the previous year [2]. Total employment is expected to reach 177.5 million on an average annual basis in 1984 compared to 172.9 million in 1983. This increase in employment gives rise to the projected 4.5 million increase in the number of total individual returns filed next fiscal year--from 96.9 million in 1984 to 101.4 million in 1985. This change in 1985 represents a post-World War II, single-year record with respect to increased filings of individual income tax returns. Starting in 1985, the rate of employment growth is projected to decelerate, resulting in a corresponding decrease in the rate of growth in individual income tax filings in subsequent years.

Returns projections are developed by (1) using econometric models that relate the number of returns to selected independent economic and demographic variables, and (2) extrapolating observed time trends into the projection interval. The forecasting models are initially formulated on a calendar-year basis. Fiscal-year projections are derived from calendar-year statistics by various methods including seasonal adjustment [3].

The current fiscal-year projections reflect the effects of legislative, regulatory and administrative changes, as well as the impact on filings of changes in the broader economic environment. For example, where effects could be quantified, projections have been adjusted to account for the Deficit Reduction Act of 1984. In addition, the assumption of enhanced economic growth has affected projected filing levels for individual and corporate income tax returns. The current projection effort does not, however, take into account legislative or administrative changes which are under review.

SUMMARY

Total returns, as presented in Table 1, consist of primary returns, selected supplemental documents and returns that are not part of the IRS Master File system. Primary returns have historically accounted for most of the IRS document-processing workload, and this relationship between primary and total returns is expected to prevail throughout the 1985-1992 forecast period. Approximately 163.6 million primary returns were filed in 1983, compared to a total returns figure of 171.2 million during that year. Major components of the primary returns category include Forms 1040, 1040A and 104EZ--U.S. Individual Income Tax Returns; Form 1040ES--Individual Declaration of Estimated Tax; Form 1120--U.S. Corporation Income Tax Return; and, Form 941--Employer's Quarterly Federal Tax Return. The current estimates of primary and total returns to be filed in 1984 are 167.1 million and 174.5 million, respectively. Selected supplemental documents, which essentially consist of amended returns and requests for filing extensions from both individuals and corporations, accounted for 7.6-million filings processed by IRS in 1983, and they are estimated to decline to 7.3 million in 1984.

It should be noted that information documents processed by IRS, such as interest and dividend statements or Forms W-2, Wage and Tax Statement, have been excluded from all of the return categories discussed earlier. Approximately

*Projections and Forecasting Group, Research Division. Prepared under the direction of Richard Hays, Chief.

600 million information documents were processed in 1983, and 750 million of these forms are expected to be filed in 1984. However, most of these documents are filed on magnetic media and do not have as significant an impact on the IRS workload as their volume might suggest.

Figure A presents the respective average annual percentage changes for the major return types during the 1983-to-1992 interval. Total returns increase by an average 2.9 percent per year between 1983 and 1992. Figure B compares the number of Forms 1040, 1040A, 1040EZ, and total individual returns expected to be filed in 1985 and 1992, respectively.

Projections for 1985 and the associated rates of change from 1984 to 1985 are presented in the following table:

Type of return	1985 Projection	Change from 1984
	(000)	(%)
Total	181,865	4.2
Primary	173,743	4.0
Individual	101,367	4.6
Individual declarations ..	34,964	3.2
Fiduciary	2,121	2.6
Partnership	1,745	4.3
Corporation	3,506	7.6
Estate and gift	186	-1.6
Employment	26,980	1.8
Exempt organization	434	0.6
Employee plans	1,167	33.5
Alcohol, tobacco and firearms	471	-16.6
Excise	765	5.7
Selected supplemental documents	8,122	10.7
Non-master file	36	0

INDIVIDUAL INCOME TAX RETURNS

In all likelihood, the IRS will see a post-World War II, single-year record in increased filings of individual income tax returns in 1985. If the current 1985 projection is realized, IRS will process 4.5 million additional individual returns compared to 1984--a 4.6 percent increase. This new figure reflects the most current employment outlook associated with the general economic recovery and translates into a 1,647,000 increase in projected total individual returns during 1985, compared to last year's projection for the same period [4]. Similarly, projections for 1986 and 1987 are also higher than expected (in fall 1983) by 1,738,000 and 1,634,000, respectively. Over the longer-term portion of the forecast interval, higher projected employment levels relative to last year's outlook give rise to a higher level of total individual

returns to be processed. Upward revisions to the projections for individual returns have been made in the 1.3 million-to-1.7 million range from 1987 to 1992.

The updated forecasts reflect a significant change in the projected mix among the primary components of total individual returns--Forms 1040, 1040A and 1040EZ. Based on receipts through the end of June, it appears that the number of Forms 1040A for 1984 will be 1,672,000 lower than previously estimated (7.8 percent), due to a shift away from this form toward either the more comprehensive Form 1040 or the simpler Form 1040EZ. This shift is expected to prevail through the end of the decade. However, if taxpayers have not yet fully adjusted to the shift from a two-form to the new three-form filing structure, year-to-year fluctuations in mix may occur for the next few years which might affect the confidence which should be placed on these projections.

Unlike their Form 1040 and 1040A counterparts, Form 1040EZ filings are expected to peak in 1986 at 17.8 million; then the number of these forms filed will gradually ease down toward 1984 levels. This projected decline in Form 1040EZ filings will result from the expected decline in the population of taxpayers who typically use this form--filers in the 16-24 age bracket and filers with income under \$20,000 [5].

OTHER TAX RETURN FILINGS

Individual Declarations of Estimated Tax

Projections of Individual Declarations of Estimated Tax (Form 1040-ES "Vouchers") during the near term have been lowered by 898,000, 1,118,000 and 913,000 in 1985, 1986 and 1987, respectively. This change reflects a new methodological approach, which attempts to reflect the recent trends in the average number of ES payments made by each taxpayer during the course of the year.

ES voucher projections are formulated by applying the historical Form 1040-ES voucher-per-taxpayer-entity ratio to entity projections. Because of the lack of a clear historical trend in the voucher-to-entity ratio, it was assumed to be constant (equal to its mean value over the 1981-to-1983 period) through the end of the forecast period. This assumption lowered the projections for ES vouchers, between 3.7 percent and 7.2 percent during the 1988-to-1991 interval, compared to the forecasts presented in fall 1983.

Fiduciary

Fiduciary (Form 1041) returns were projected as a function of current dollar personal income (a proxy for changes in wealth) and time. A

Figure A
**Projected Average Annual Percentage Change in the
Number of Returns Processed, FY 1983-FY 1992**

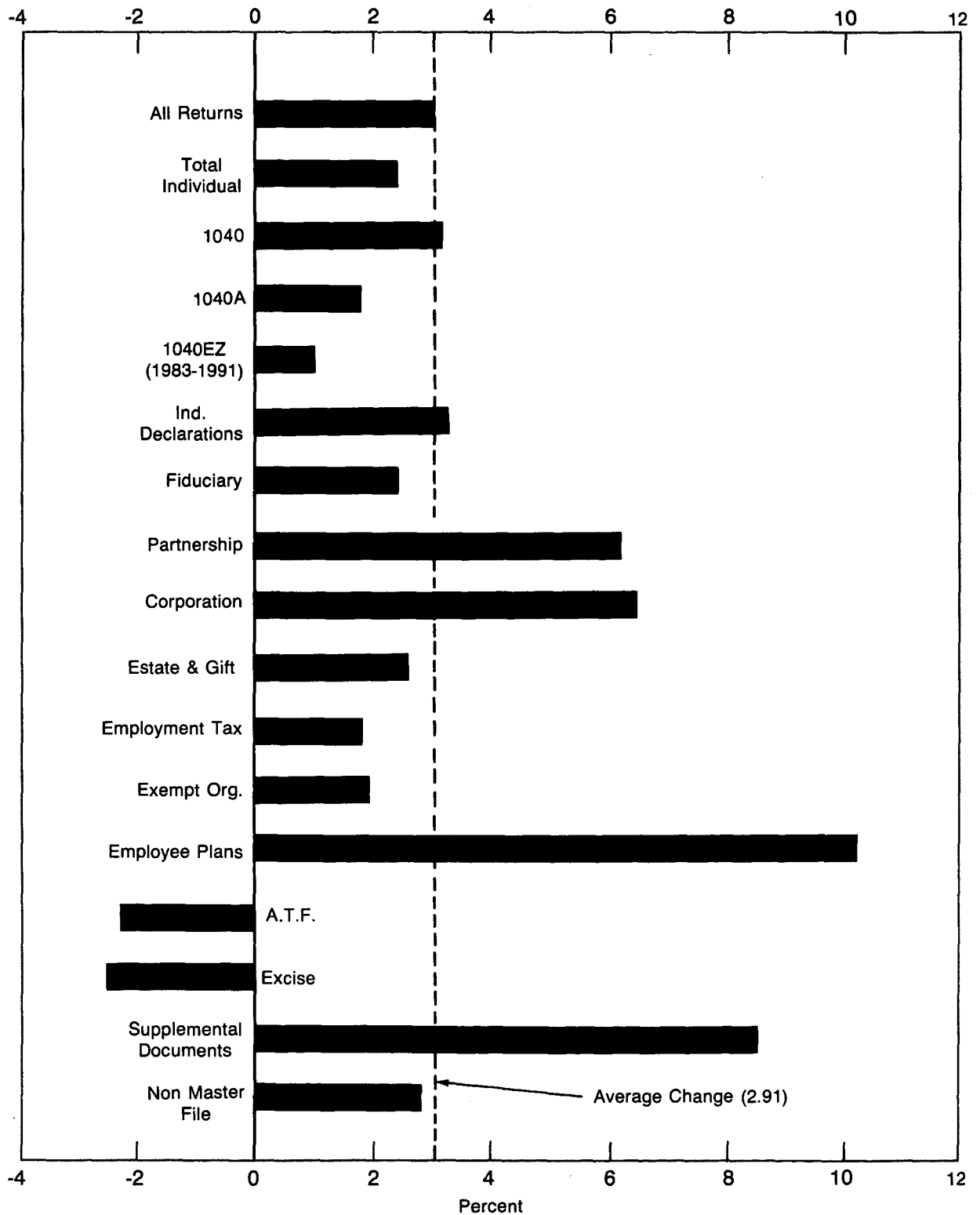
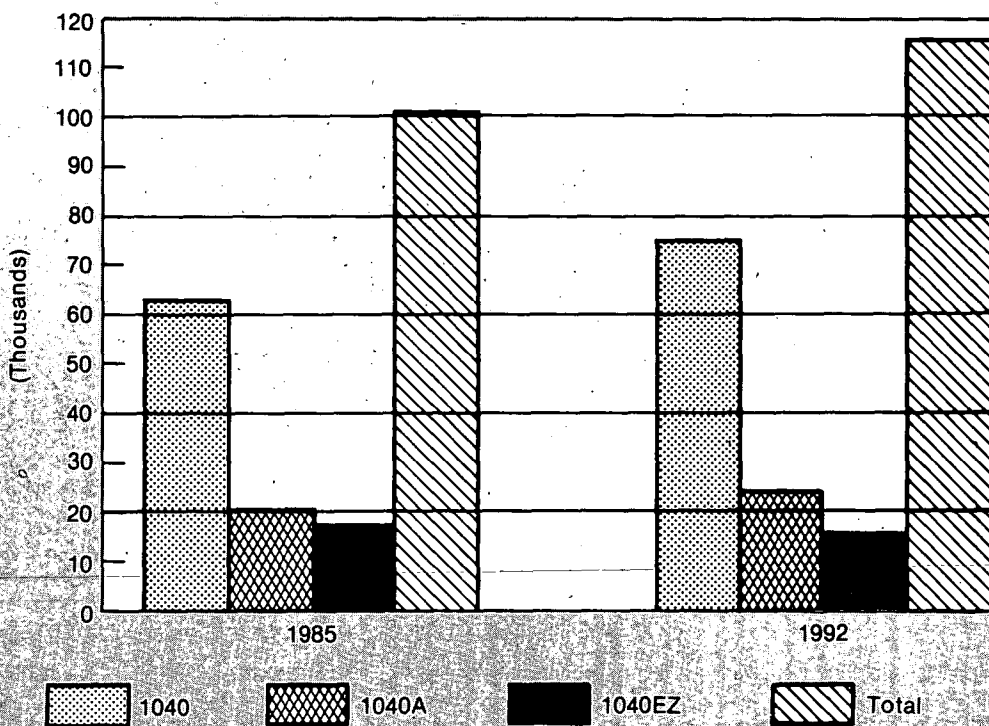


Figure B
Individual Returns by Type
Fiscal Years 1985 & 1992



stronger economic recovery than previously expected serves to bolster 1984 personal income up over last year's projections. Due to a one-year lag in the transmission of increased income to increased fiduciary filings, projections of these forms have been increased in 1985--by 16,000 returns, or 0.8 percent. In subsequent years of the forecast period, a lowered inflation outlook reduces current dollar personal income projections, which in turn lowers the forecasts for fiduciary returns. The decline in fiduciary projections,

this year compared to last year, varies from 0.7 percent in 1987 to 4.2 percent in 1991.

Partnership

Partnership (Form 1065) returns projections are also linked to current personal income. Form 1065 filings follow a growth path similar to the one presented last year, as partnership returns register increases averaging 5.0 percent per year from 1985 to the forecast horizon.

Corporation

Recent evidence on output, employment and inflation suggests a stronger near-term economic recovery than previously assumed. Improved growth in real Gross National Product (GNP) and corporate profits during the next few years is expected to increase corporation return filings to about 3.5 million in 1985, 3.7 million in 1986 and 3.9 million in 1987. Also contributing to these and additional upward revisions during late forecast years are methodological adjustments made to counter previous underprojections of this type of return.

Estate and Gift Tax

The current projections differ marginally from those presented last year. By 1988, filings of estate returns should decline to about 34 percent of their corresponding 1983 levels. This reflects the higher thresholds stipulated by the Economic Recovery Tax Act of 1981, which progressively take effect over the projection period. After a one-year plateau in 1989, estate tax returns increase as the total U.S. population ages and the number of taxpayers in the higher income levels increases.

The Deficit Reduction Act of 1984 will freeze the maximum estate and gift tax rate at 55 percent through 1987 and will reduce it to 50 percent thereafter. This compares to the Economic Recovery Tax Act of 1981, which set the top rate at 50 percent in 1985. This change should not significantly impact on filings of estate and gift tax forms over the projection interval.

Employment Tax

Forms 940, 940PR, 941, 941E, 941PR/SS, 942, 942PR, 943, 943PR, and CT-1 constitute the employment tax return category. Projections for employment tax filings exceed their fall 1983 counterparts throughout the forecast interval. Higher civilian employment projections than last year give rise to increased employment tax returns projections during the 1985-to-1991 forecast years.

Exempt Organization

Total exempt organization returns consist of Forms 990, 990C, 990PF, 990T, 4720 and 5227. Movement in this total is primarily influenced by changes in Form 990, Return of Organization Exempt from Income Tax, which account for 75 percent of the aggregate category. This year's projections of total exempt organization filings are in line with those presented last year, increasing by an average 2.2 percent per year from 1985 to 1991.

Employee Plans

Projections of Employee Plans have been significantly increased to account for the effects of the Tax Equity and Fiscal Responsibility Act of 1982. This legislation substantially changed the annual reporting requirements for Keogh and H.R. 10 plan filers by requiring all administrators of plans with fewer than 100 participants, including owner-employee plans, to file Form 5500-C, Return/Report of Employee Benefit Plan (with fewer than 100 participants) starting with returns filed in 1985. As a result, an estimated 200,000 additional filers are expected in 1985 with increases in subsequent years exceeding this figure, as the number of filers affected increases and additional taxpayers become aware of this new filing requirement.

Alcohol, Tobacco and Firearms

Taken together, Forms 7, 8, 11, 4705, 4706, 4707, 4708 and Alcohol and Tobacco Excise Taxes comprise the total alcohol, tobacco and firearms return category. Projections of these returns are similar to those put forth in the fall 1983 forecast, with the exception of the 1986 figure, which has been raised by 212,000 to account for a one-time alcohol floor stocks tax imposed by the Deficit Reduction Act of 1984, which is in effect that year.

Excise

Projections of total excise tax filings (Forms 11C, 720, 730 and 2290) have been lowered throughout the forecast interval to account for provisions of the Surface Transportation Act of 1982 and the Deficit Reduction Act of 1984. Both statutes raise the weight thresholds used for filing Form 2290, Federal Use Tax Return on Highway Motor Vehicles. Under the provisions of the Surface Transportation Act of 1982, all owners with fleets of six or more trucks weighing between 26,000-33,000 pounds Gross Vehicle Weight (G.V.W.) are no longer required to file a Form 2290 during the July 1984-to-June 1985 period. The 1984 Deficit Reduction Act stipulates that owners of trucks weighing 55,000 pounds G.V.W. or less do not have to file a Form 2290 from July 1984 onward.

Selected Supplemental Documents

Supplemental documents include Forms 1040X, 1041A, 1120X, 2688, 4868, 7004 and 7005. Due to a stipulation of the Deficit Reduction Act of 1984 which mandates that Individual Retirement Accounts (IRA's) must be funded no later than April 15 of the filing year, the projected number of extensions to file individual income tax returns (Form 4868) has been lowered from

last year. The reduction reflects the number of taxpayers that may have previously filed for an extension in order to gain additional time to fund an IRA.

Methodology and Assumptions

The number of returns filed represents processed returns at IRS Service Centers during a fiscal year. Returns processed in 1983 and receipts for previous years are reported in the Annual Report of the Commissioner of Internal Revenue [6]. Data for 1984 include actual processed returns through June, with the remainder of the year estimated, in general, on the basis of 1983 filing patterns.

As an example of the general forecasting process, projections for the combined total of Forms 1040, 1040A and 1040EZ returns were developed from the results of a regression relating number of total 1040 returns to total employment, employed married women with husbands present (used as a proxy for potential joint filers), pension beneficiaries and annuitants and a qualitative "dummy" variable which accounts for the effects of the Tax Reduction and Simplification Act of 1977 on total Form 1040 filings [7]. A 1949-1984 base period was used for this regression, with the 1984 returns estimate derived from January-June returns processed and 1983 filing patterns.

Return projections were primarily formulated on a calendar-year basis and subsequently converted to fiscal-year projections by the Census Bureau's X11-Q Seasonal Adjustment Program by applying resultant seasonal factors to calendar-year projections [8].

Table 1 presents the current projections for the major types of returns to be processed by IRS during the 1985-to-1992 interval. In addition, actual and estimated receipt figures are displayed for 1983 and 1984, respectively. Table 2 presents differences between the current projections and those presented in fall 1983.

NOTES AND REFERENCES

[1] All statistics are cited on a fiscal-year basis, unless otherwise noted. As defined

in Table 1, primary tax returns are equal to total returns minus supplemental documents. A complete listing of tax returns included in this table can be found in U.S. Department of the Treasury, Internal Revenue Service, Annual Report: Commissioner of Internal Revenue and the Chief Counsel for the Internal Revenue Service: 1983, Publication 55, Washington, DC, 1983.

- [2] Employment, Gross National Product, and personal income projections were obtained from Data Resources, Inc. (DRI).
- [3] For details of these methods, see U.S. Department of the Treasury, Internal Revenue Service, "Number of Returns to be Filed," Fiscal Year Projections series, Document 6292 (Rev. 8-84).
- [4] Fratantuono, Richard and O'Keefe, Patrick, "Projections of Returns to be Filed in Fiscal Years 1984-1991," Statistics of Income Bulletin, Fall 1983, p.29.
- [5] Results of the Tax Year 1982 Taxpayer Usage Study (TPUS) indicated that 97.5 percent of all 1040EZ returns were filed by persons with adjusted gross income (AGI) under \$20,000 and that approximately 68 percent of 1040EZ filers were between the ages of 16 and 24. "Individual Income Tax Returns 1982 Taxpayer Usage Study," Statistics of Income Division, Document 6528, September 1983, Table 1, and unpublished data from the Office of Tax Analysis.
- [6] U.S. Department of the Treasury, Internal Revenue Service, Annual Report.
- [7] Projections of total employment, employed married women with husbands present and pension beneficiaries and annuitants are all prepared by the Projections and Forecasting Group, Research Division, Internal Revenue Service.
- [8] U.S. Bureau of the Census, "The X11-Q Variant of the Census Method II Seasonal Adjustment Program," Technical Paper No. 15 (1967 revision).

Table 1.--Number of Returns by Type, Fiscal Years 1983-1992¹

[Numbers are in thousands]

Type of return ²	Actual	Estimate	Projected							
	1983	1984 ³	1985	1986	1987	1988	1989	1990	1991	1992
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Grand total	171,179	174,465	181,865	187,607	192,488	197,413	202,456	207,316	211,771	216,061
Primary total	163,577	167,126	173,743	178,732	182,931	187,100	191,373	195,460	199,146	202,662
Individual, total	95,284	96,909	101,367	104,389	106,528	109,003	111,349	113,379	115,083	116,588
Form 1040	59,187	61,021	63,310	65,147	66,763	68,738	70,736	72,643	74,161	75,462
Form 1040A	21,057	19,841	20,675	21,289	21,877	22,518	23,149	23,769	24,272	24,674
Form 1040EZ	14,884	15,891	17,223	17,789	17,718	17,572	17,284	16,780	16,457	16,253
Other	156	156	159	164	170	175	181	187	193	200
Declaration of estimated tax ...	33,080	33,886	34,964	36,113	37,577	38,424	39,518	40,683	41,771	42,895
Fiduciary	1,994	2,066	2,121	2,170	2,219	2,265	2,302	2,347	2,394	2,433
Partnership	1,586	1,674	1,745	1,813	1,893	1,989	2,094	2,211	2,338	2,478
Corporation	3,078	3,259	3,506	3,705	3,888	4,078	4,272	4,480	4,683	4,885
Estate tax	111	93	78	67	47	38	38	41	44	47
Gift tax	91	96	108	122	136	151	165	178	191	203
Employment tax	25,537	26,513	26,980	27,293	27,720	28,167	28,603	29,030	29,464	29,901
Exempt organization	437	432	434	444	453	462	473	491	504	516
Employee plans	752	874	1,167	1,203	1,247	1,284	1,315	1,367	1,406	1,443
AT&F	583	564	471	664	463	469	462	461	467	460
Excise	1,009	724	765	713	722	732	741	750	760	769
Selected supplemental, total ...	7,602	7,339	8,122	8,874	9,557	10,313	11,084	11,855	12,625	13,399
Form 1040X	2,000	1,822	2,153	2,323	2,471	2,639	2,808	2,972	3,133	3,291
Form 4868	3,345	3,360	3,604	3,986	4,335	4,722	5,114	5,502	5,885	6,266
Form 2688	818	791	886	988	1,081	1,185	1,291	1,395	1,499	1,602
Form 1120X	58	65	76	83	90	97	104	111	117	124
Form 7004	1,158	1,283	1,385	1,476	1,560	1,650	1,748	1,854	1,969	2,094
Form 7005	205	1	-	-	-	-	-	-	-	-
Form 1041A	17	18	19	19	19	20	20	21	21	21
Non-master file	35	36	36	37	38	39	40	41	43	44

¹Projections based on number of returns processed as reported on NO-TX-R-308.²See return definitions below:

Primary total = Grand total minus selected supplemental;

Individual, other includes Forms 1040NR, 1040PR, 1040SS, and 1040C;

Corporation includes Forms 1120, 1120A, 1120-F, 1120POL, 1120S, 1120-H, and other 1120's;

Employment tax includes Forms 940, 940PR, 941, 941E, 941PR, 941SS, 942, 942PR, 943, 943PR, and CT-1;

Exempt organization includes Forms 990, 990C, 990PF, 990-T, 4720, and 5227;

Employee plans includes Forms 5500, 5500-C, 5500-G, 5500-K, and 5500-R;

AT&F includes Forms 7, 8, 11, 4705, 4706, 4707, 4708, and alcohol and tobacco excise tax returns;

Excise includes Forms 11C, 720, 730, and 2290;

Non-master file includes Forms CT-2, 720M, 941M, 941NMI, 990BL, 1042, and 1120-DISC.

³Based on returns processed through June 30, 1984.

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

Table 2.--Differences Between Projections: Fall 1984 Versus Fall 1983*

[Numbers are in thousands]

Type of return	Actual	Estimate	Projected						
	1983	1984	1985	1986	1987	1988	1989	1990	1991
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Grand total	-336	-478	533	536	478	-39	-695	-785	-959
Primary total	-301	427	1,417	1,496	1,512	1,023	398	349	-46
Individual, total	681	640	1,647	1,738	1,634	1,636	1,335	1,673	1,613
Form 1040	785	2,372	3,629	4,334	4,191	4,693	5,220	6,122	6,591
Form 1040A	37	-1,672	-2,361	-2,664	-2,581	-2,999	-3,572	-3,699	-3,972
Form 1040EZ	-138	-55	383	75	32	-49	-574	-739	-996
Other	-3	-5	-5	-6	-8	-9	-11	-11	-10
Declaration of estimated tax	-333	-454	-898	-1,118	-913	-1,483	-1,927	-2,656	-3,250
Fiduciary	6	24	16	0	-16	-35	-63	-83	-104
Partnership	-26	8	1	-35	-52	-60	-57	-40	-10
Corporation	10	72	206	282	341	409	479	567	646
Estate tax	-3	0	2	3	2	-3	-6	-6	-6
Gift tax	5	-5	-8	-10	0	1	2	2	6
Employment tax	-454	71	29	15	30	14	67	207	308
Exempt organization	-27	-3	1	5	7	9	14	25	31
Employee plans	-308	-179	95	107	132	151	164	199	221
AT&F	0	-7	10	212	14	17	19	21	24
Excise	160	-145	-122	-173	-172	-171	-170	-169	-167
Selected supplemental, total	-35	-905	-884	-961	-1,034	-1,062	-1,092	-1,135	-913
Form 1040X	43	-255	-77	-74	-63	-30	-15	26	52
Form 4868	59	-145	-311	-351	-388	-419	-457	-474	-244
Form 2688	55	-68	-31	-36	-51	-47	-48	-57	-58
Form 1120X	-22	-29	-32	-39	-43	-45	-47	-49	-53
Form 7004	-13	3	14	21	25	29	33	38	43
Form 7005	-158	-412	-448	-482	-516	-551	-559	-620	-655
Form 1041A	0	1	2	1	1	1	1	1	1
Non-master file	-8	-8	-11	-11	-11	-12	-11	-12	-11

* Differences equal Fall 1984 projection minus Fall 1983 projection.

Nonresident Alien Income and Tax Withheld, 1982

By Chris R. Carson*

The United Kingdom surpassed both the Netherlands and the Netherlands Antilles as the foreign country with individuals and organizations receiving the most U.S. source income (\$2.2 billion) during 1982. The increased use of "dual resident corporations" [1], which for tax purposes are considered resident in both the United States and the United Kingdom, is primarily responsible for the sudden rise in interest payments to the United Kingdom. Dual resident corporations can deduct from income in both countries interest payments and certain costs of starting a business.

Although U.S. source income paid to the Netherlands Antilles, a tax haven, rose by 13 percent from 1981 [2], future payments may be less due to the Deficit Reduction Act of 1984. This legislation exempts most new debt issues from U.S. withholding tax, at least partly reducing the withholding tax and interest rate advantages that U.S. corporations derive by borrowing funds through the Netherlands Antilles. Interest, which makes up 93 percent of U.S. source income paid to the Antilles, has been substantially exempt from withholding under an extension of the United States-Netherlands tax treaty.

U.S. source income paid to foreign individuals and organizations rose just over 9 percent, to \$10.6 billion, from 1981 to 1982. For the first time, interest surpassed dividends as the most common type of income, as 48 percent or \$5.1 billion of all income paid represented interest. This reflects the growing use of borrowed foreign capital in helping to finance the U.S. economic recovery. Although dividends rose to \$4.5 billion, their share of all income fell to 43 percent from 45 percent in 1981.

BACKGROUND INFORMATION

A U.S. individual or organization paying income to a nonresident alien (foreign individual, corporation, or other organization) reports this income and the U.S. tax withheld on the Form 1042S. While the basic tax rate is 30 percent, certain types of income are taxed at different rates. Income paid to countries

that have entered into tax treaty agreements with the United States is usually taxed at lower rates. The tax withheld represents final payment of the actual tax liability in almost all instances. Income connected with the recipient's U.S. trade or business is exempt from withholding. The United States taxes this income separately, as though it were received by a U.S. citizen or corporation.

The responsibility for withholding tax belongs to the payor or the representative (usually a financial institution) of the payor rather than the recipient of the income. This is because the United States has no agreements with foreign countries (as they would be impractical) authorizing direct taxation of foreign individuals and organizations that are not resident in this country. Direct taxation of nonresident aliens would be difficult to enforce. The basic tax rate on nonresident alien income (30 percent) differs from the graduated tax rates for U.S. individuals and corporations because foreign individuals and corporations may receive income from an indefinite number of U.S. payors. Since the nonresident alien is not required to file a tax return and consolidate all U.S. income, the total income cannot be taxed in graduated "brackets," as one payor would have no knowledge of the amount of income other U.S. persons had paid to the same nonresident alien.

RECENT LEGISLATION

The Deficit Reduction Act of 1984 exempts certain interest payments from withholding. To qualify, this interest must be paid on debt issued after the establishment of the Act (July 18, 1984). Interest paid to a foreign individual or corporation owning 10 percent or more of the voting shares of the U.S. payor does not qualify for this exemption.

Before the passage of this legislation, some foreign investors were hesitant to invest in the United States because of the 30-percent withholding tax. Often foreign individuals and corporations that would be taxed on this income in their own countries, but could not credit the associated U.S. tax withheld, would choose

*Foreign Returns Analysis Section. Prepared under the direction of James Hobbs, Chief.

to invest only in their own countries to avoid double taxation. Individuals and organizations that wanted to avoid income taxes in their own countries might also avoid investments subject to withholding.

In the late 1970's, high U.S. interest rates made U.S. investments attractive to foreign individuals and organizations. Large U.S. trade deficits left billions of U.S. dollars in foreign countries available for investment. U.S. multinational corporations, seeing the possibility of borrowing large amounts of money at interest rates below U.S. rates, set up finance subsidiaries in the Netherlands Antilles. These subsidiaries borrowed large amounts of money from the Eurobond market and loaned the money to the U.S. parent corporation. The interest payments from the U.S. parent to its subsidiary were exempt from withholding under an extension of the U.S. tax treaty with the Netherlands. Smaller companies, which needed to borrow less money, were substantially shut out of the Eurobond market as the cost of setting up and maintaining a finance subsidiary in the Netherlands Antilles was prohibitive when compared to their potential interest savings.

The U.S. Treasury Department began to renegotiate the U.S. tax treaty with the Netherlands Antilles. While this treaty was being renegotiated, renewed attention was given to earlier proposals to exempt certain interest from U.S. taxation regardless of what country the interest was paid to. The prospect of U.S. tax exempt interest would spur foreign investment in the United States and in turn create new jobs. The amount of revenue loss was estimated to be relatively small, as only \$152.5 million of tax was withheld on interest income for 1982. The revenue effect of the exemption of this interest income from withholding will not be felt immediately by the Treasury, as debt issues made prior to the Deficit Reduction Act will still be subject to withholding (except when exempted by tax treaties). In addition, any withholding tax revenue loss would be partly offset by a reduction in foreign tax credit for some U.S. corporations now crediting the small amount of tax paid to the Netherlands Antilles on the net interest income (interest income from U.S. parent minus interest paid to bondholder) of the U.S. controlled finance subsidiaries there. As the money would be borrowed directly from the bondholder (usually European), there would be no net interest income subject to Antilles tax. The Deficit Reduction Act of 1984 also recharacterizes certain income of foreign subsidiaries as U.S. income. This will prevent some corporations from earning low-tax foreign income in the Antilles (and elsewhere) to increase their credit limitation and thereby claim a greater foreign tax credit.

As a result of the exemption of certain interest income from withholding tax, small U.S. companies and the U.S. Treasury will now be able to enter the Eurobond market directly. The entrance of smaller U.S. companies and the U.S. Treasury into the Eurobond market may cause increased competition for low-cost foreign debt. This competition is likely to drive up foreign interest rates on this debt closer to the U.S. level. The possibility of this interest rate increase may have been the reason that some U.S. corporations issued hundreds of millions of dollars in Eurobonds recently, in expectation of the passage of the Deficit Reduction Act of 1984. Downward pressure may be put on domestic interest rates, as U.S. lenders will have less demand for new debt from these small companies and the U.S. Treasury. The demand for dollars to invest in the United States should strengthen the dollar, making imports cheaper and exports more expensive. As foreign interest rates approach the U.S. rate, foreign individuals and organizations will shift new investments to their own countries until a point of equalization is reached.

DATA ANALYSIS AND TRENDS

Although income rose faster (9 percent) from 1981 to 1982 than tax withheld (2 percent), both rose slowly compared to their increases for 1981 (45 percent and 18 percent, respectively). Income exempt from withholding increased by 27 percent, while income subject to withholding actually fell by 2 percent. Almost half of this increase in exempt income was accounted for by the United Kingdom, where exempt income increased by over \$470 million. The total increase in exempt income was nearly a billion dollars.

The amount of average income per payment rose by 11 percent to \$18,800 from 1981 to 1982. This contrasts sharply with a 54-percent increase in 1981. Corporate recipients again received much larger average payments (\$144,000) than other recipients, including individuals (\$1,800). The increase in the size of the average payment to corporations, up from \$92,000 in 1981, is due more to the drop in the number of Forms 1042S showing payments to corporations, from 76,036 to 51,962, than in the increase in corporate income (4 percent).

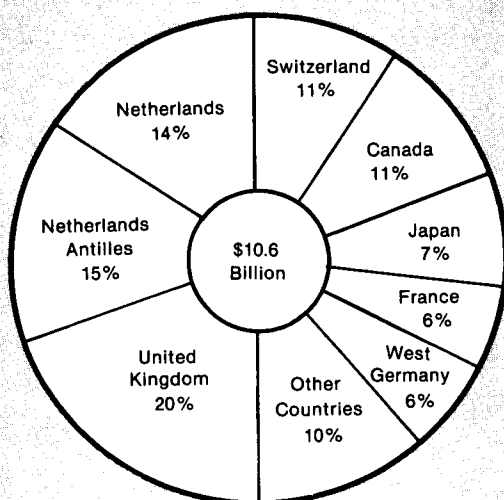
Country of Recipient

The eight countries shown in Figure A accounted for 90 percent of all U.S. source income. These countries accounted for 88 percent of all income in 1981. The United Kingdom dominates this list, receiving a higher portion of the total, 20 percent, than any country has received in recent years.

While these countries' U.S. source income rose 12 percent from 1981, the distribution of this income has changed dramatically. As shown in the following table, income paid to the United Kingdom rose by 60 percent from 1981. Japan and the Netherlands Antilles also received substantially more income than in 1981, posting gains of 35 percent and 13 percent, respectively. The Netherlands, Canada, and Switzerland actually received less U.S. source income than in 1981.

Figure A

Percent of Total Income Paid, by Country of Recipient, 1982



The dramatic increase in income payments to the United Kingdom was mainly, as already mentioned, due to the establishment of "dual resident corporations." These are corporations that take advantage of the varying rules that different countries use for determining the residency of a corporation. This allows corporations having losses, especially in starting a new operation or facility, to deduct these losses on the tax returns filed in both countries. Since U.S. corporate residency is determined by the country of incorporation, the "dual resident corporation" must be incorporated in the United States, usually in Delaware. The United Kingdom determines the country of residence of corporations by the country where management occurs.

This combination of U.S. incorporation and U.K. management is typically beneficial when beginning a new investment in the United Kingdom, such as drilling for oil in the North Sea. Certain costs of starting the project, including interest expense, are then deducted from both U.S. and U.K. income. The startup capital is sometimes borrowed from a U.K. lender because the interest rates in recent years have been lower in Europe and interest payments to U.K. individuals and organizations are exempt from U.S. withholding in most instances. Interest payments by these "dual resident corporations" may explain the increase in interest paid to the United Kingdom of nearly \$500 million from 1981 to 1982.

More tax was withheld from payments to the United Kingdom than to any other country. The \$136 million withheld from this income represents 18 percent of all tax withheld by U.S. withholding agents. Almost 94 percent of this tax on U.K. income was withheld from dividends. More than \$100 million of tax was withheld on payments to each of Switzerland and Canada, representing 16 percent and 15 percent, respectively, of all tax withheld.

There were substantial increases in the amount of tax withheld on payments to certain countries. Tax-withheld amounts rose 59 percent and 38 percent from 1981 on income paid to Japan and the United Kingdom, respectively. These countries also had the largest percentage increases in income, although the order was reversed. The 59-percent tax-withheld increase for Japan was due to a 49-percent increase in income subject to withholding and a 3-percent decrease in exempt income. Tax-withheld amounts dropped substantially on payments to the Netherlands Antilles (51 percent) and the Netherlands (16 percent).

Effective Tax Rate by Country

Although the basic withholding tax rate is 30 percent, the actual rate can differ for a variety of reasons. Tax treaties allow for

Gross Income Paid
[thousands]

Country	1981	1982	Change
	(1)	(2)	(3)
United Kingdom	\$1,357,044	\$2,174,506	60%
Japan	519,568	703,643	35
Netherlands			
Antilles	1,399,528	1,580,359	13
West Germany	598,054	627,861	5
France	652,496	660,975	1
Switzerland	1,201,878	1,176,462	-2
Netherlands	1,539,633	1,463,583	-5
Canada	1,217,255	1,151,846	-5
Other countries	1,213,531	1,085,074	-11

lower tax rates on payments to certain countries. Income paid to exempt or government organizations is generally not taxed. Most U.S. income paid to foreign private foundations is taxed at 4 percent. In addition, income that is connected with the recipient's trade or business, and is therefore taxed as though it were received by a U.S. individual or organization, is not subject to withholding tax. Because of these factors, the effective U.S. withholding tax rate varies by country.

The following table shows the income paid, tax withheld by U.S. withholding agents, and the effective withholding tax rates for the 12 countries having the lowest effective tax rates. Only countries below the all-country average (7.1 percent) receiving at least 100 payments and \$1 million were considered.

Ranking of Effective Tax Rates
by Country, 1982

[Money amounts are in thousands]

Country	Gross income	Tax withheld	Effective tax rate
	(1)	(2)	(3)
Antigua	\$4,038	\$3	0.1%
Netherlands Antilles	1,580,359	13,069	0.8
Saudi Arabia	51,208	1,169	2.3
Finland	5,199	138	2.7
Trinidad and Tobago	1,797	52	2.9
Poland	2,561	76	3.0
Cayman Islands	43,876	1,970	4.5
West Germany	627,861	29,554	4.7
China (Taiwan)	9,055	451	5.0
Netherlands	1,463,583	73,848	5.0
Portugal	14,128	742	5.3
United Kingdom	2,174,506	136,097	6.3
All countries	10,624,310	758,186	7.1

Although all the countries have low U.S. effective withholding tax rates, the reasons vary for these low rates. Antigua and the Netherlands Antilles are "tax haven" countries (see "Tax Haven Countries") that have low tax-treaty rates on their U.S. source income [3]. Although Saudi Arabia is not a tax haven and does not receive the benefit of lower treaty rates, income paid to Saudi Arabian government organizations made up a substantial portion of all U.S. source Saudi income. An inordinately high proportion of Saudi investments in the United States is owned by the Saudi government. The income from these investments was not subject to U.S. withholding. Finland, Trinidad and Tobago, Poland, West Germany, and the United Kingdom are not generally considered tax havens, but have the benefit of low U.S. withholding tax rates due to tax treaties. One reason for the low (5 percent) effective tax rate for the

Netherlands is that the United States-Netherlands tax treaty allows for a 5-percent tax on dividends paid to Netherlands corporations that control or own the U.S. subsidiary. More than \$773 million of dividends paid to the Netherlands in 1982 fit this category. Ironically, many tax havens have above-average effective tax rates (see Figure B). This is generally because these countries have no tax treaties with the United States. The Cayman Islands is an exception, having an effective tax rate of 4.5 percent although it has no tax treaty with the United States.

Tax Haven Countries

A tax haven is generally considered to be a country having tax laws favorable to foreign individuals and organizations in an attempt to attract these investors. The tax haven country typically benefits by collecting certain fees or taxes (at a low tax rate). These foreign individuals and organizations would usually not invest in or through the tax haven if higher taxes were imposed. The most successful tax haven countries tend to have some or all of the following characteristics.

- o No withholding tax on most payments from the tax haven to foreign individuals and organizations,
- o Low or zero income tax rates for individuals or organizations within the tax haven country,
- o Secrecy laws to prevent foreign governments from obtaining financial information about their own citizens and organizations,
- o And finally, although most tax havens do not have this, tax treaties with low or zero withholding tax rates for most income payments received from foreign countries.

Recipients in tax haven countries tend to receive larger payments than in other countries. Figure B shows ten countries that qualify as tax havens to varying degrees. All but one of these countries received larger-than-average (\$18,800) payments. As in 1981, the Netherlands Antilles headed this list with an average payment of \$723,000, although this average is down from \$754,000 in that year.

Payments to tax haven countries are more likely to go to corporations in those countries than are payments to non-tax havens. This is primarily due to the predominance of financial corporations in tax havens. Many U.S. corporations have finance subsidiaries in these countries. Also, U.S. and foreign individuals and corporations may set up corporations in tax havens to avoid income taxes in their own country. Figure B shows the percentage of U.S. source income payments made to foreign corporations for ten selected tax haven countries. Each of the countries shown is above the 9-percent average for all countries. Antigua leads this list with a 74-percent figure.

The effective tax rate, defined as tax withheld divided by income paid, for the tax haven countries shown in Figure B, is affected by whether the country has a tax treaty with the United States. As was stated earlier, treaty countries tend to have lower effective tax rates than the nontreaty countries. Antigua, whose treaty with the United States is an extension of the United Kingdom treaty, had the lowest rate at 0.1 percent, followed by the Netherlands Antilles at 0.8 percent.

The Netherlands Antilles ranks high in the categories shown in Figure B, placing first, third, and second, respectively. Although no Gross National Product (GNP) information was available for the Netherlands Antilles for 1982, in 1981 U.S. source income was actually greater than the Antilles' GNP [4]. This U.S. source income, which was 93-percent interest, is inordinately high because large U.S. corporations borrow substantial amounts of money from foreign markets through their subsidiaries in the Antilles since this interest is exempt from withholding. It seems likely that recent legislation, which exempts most interest payments to all countries on new debt issues from tax withholding, will eliminate the need to borrow money through the Antilles. However, the United States provides many foreign governments with U.S. income information about their citizens and corporations. Therefore, foreign individuals and corporations wanting to avoid income tax in their own countries may still want these loans made through the Antilles for reasons of secrecy.

Tax Treaty Countries

Since payments to tax treaty countries are usually taxed at lower rates than payments to nontreaty countries, the effective tax rate for treaty country income is about one third the rate for nontreaty countries. The following table shows the income paid, tax withheld by U.S. withholding agents, and effective tax rates for both treaty country totals and nontreaty country totals.

Gross Income, Tax Withheld
and Effective Tax Rate

[Money amounts in thousands]

Country status	Gross income	Tax withheld	Effective tax rate
	(1)	(2)	(3)
All countries	\$10,624,310	\$758,186	7.1%
Treaty countries	10,012,968	650,143	6.5
Nontreaty countries	611,342	108,043	17.7

NOTE: More detailed information by country and treaty status is shown in Table 1.

Income paid to treaty countries rose by 12.6 percent from 1981 to 1982, while nontreaty countries received 26 percent less U.S. source income in 1982. It should be noted that tax treaties with three countries became effective during 1982. Therefore, Egypt, Malta and Morocco are included in the nontreaty country total for 1981 but in the treaty country total for 1982. Even with these additional countries included, tax withheld on payments to treaty countries rose only 5 percent. Nontreaty country tax withheld fell less than 1 percent despite the 26-percent drop in income.

Although lower tax treaty rates may reduce U.S. withholding tax revenue, this revenue loss is at least partly offset by lower foreign tax credits for U.S. individuals and corporations. Since tax treaties usually allow for correspondingly lower foreign withholding tax rates, U.S. individuals and corporations receiving income from tax treaty countries have less foreign tax withheld. This usually reduces their foreign tax credit and increases the amount of income tax paid to the United States.

Recipients in tax treaty countries, again, typically enjoy lower U.S. withholding tax rates. However, if the income is paid to a foreign nominee or fiduciary, additional withholding is often required and is collected by the government in the country of the nominee or fiduciary. The purpose of this additional withholding is to prevent citizens of nontreaty countries from taking advantage of the lower tax rates of treaty countries. The foreign government or withholding agent holds this additional tax until the ultimate recipient proves residency in that country. If residency is not proven within a certain period of time, the tax is remitted to the United States (see Table 1, column 7). In the case of Canada, nominees and fiduciaries act as withholding agents and remit this additional tax directly to the Internal Revenue Service (IRS).

Type of Income

As was stated earlier, interest income surpassed dividends as the most common type of income paid to nonresident aliens during 1982. This is due largely to U.S. corporations borrowing large amounts of money from foreign countries, where interest rates have been comparatively low. This interest is generally taxed at a low or zero rate when paid to recipients in treaty countries. This explains why tax withheld on interest represented only 20 percent of all tax, while interest income comprised 48 percent of all income. Conversely, tax withheld on dividend payments made up a considerably higher portion (71 percent) of all tax than dividend income represented of all income (43 percent). Figure C shows the percentage of total income paid and the percentage of total tax withheld for certain types of income.

Figure B.--Size of Average Payment, Percent of Payments to Corporations, and Effective Tax Rate, for Selected Tax Haven Countries, 1982¹

[Money amounts are in thousands]

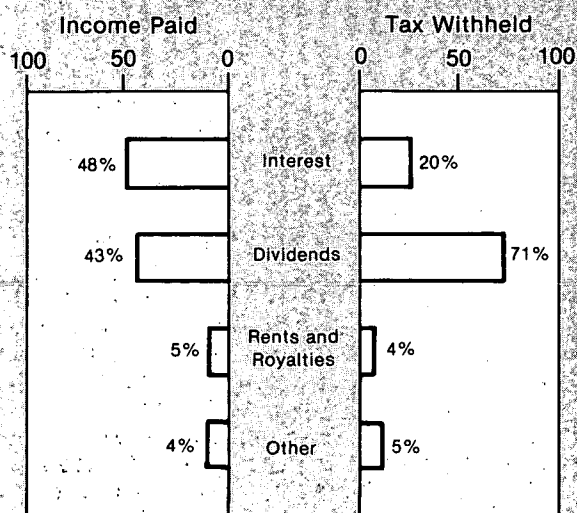
Country or geographic area	Size of payments		Percent of payments to corporations		Effective tax rate			
	Rank	Average	Rank	Percent	Rank	Gross Income	Tax Withheld ²	Percent
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Netherlands Antilles	1	\$723	3	52%	2	\$1,580,359	\$13,069	0.8%
Netherlands	2	143	11	17	10	1,463,583	73,848	5.0
British Virgin Islands ..	4	69	4	39	31	32,186	4,502	14.0
Cayman Islands	5	60	2	62	7	43,876	1,970	4.5
Bermuda	6	58	10	21	50	72,277	16,348	22.6
Switzerland	7	57	12	15	24	1,176,462	121,429	10.3
Panama	11	26	5	30	44	69,624	15,018	21.6
Luxembourg	12	25	7	27	15	73,117	5,388	7.4
Antigua	14	20	1	74	1	4,038	3	0.1
Bahamas	16	17	6	29	60	31,283	8,393	26.8

¹Countries considered for ranking purposes include only those receiving 100 or more payments and \$1 million or more for all recipients for "Size of Payments" and "Effective Tax Rate" columns. The same restrictions were applied to "Percent of Payments to Corporations" but for corporate recipients only.

²Tax withheld by domestic withholding agents only.

Figure C

Percent of Total Income Paid and Percent of Total Tax Withheld, by Income Type, 1982



Tax withheld on interest rose at the same rate (60 percent) as the interest payments from 1981 to 1982. Tax withheld on dividends rose by 9 percent in the same period. Even with this rapid increase in tax on interest, the tax withheld on dividends was more than three and a half times greater.

Type of Recipient

As in 1981, foreign corporations received the majority (70 percent) of all U.S. source income, although this figure is down slightly from the 73 percent figure of that year. Foreign individuals received just 7 percent of all income although they received 73 percent of all payments. Payments to individuals were far smaller on the average (\$1,800) than payments to corporations (\$144,000). Tax withheld by U.S. withholding agents on payments to individuals represented 14 percent of all tax. This is double the percentage shown earlier for individual income as a percent of all income. This disparity exists because a greater percentage of income paid to individuals is subject to withholding (71 percent) than for all recipients (56 percent). Conversely, foreign corporations, which had only 51 percent of their U.S. source income subject to withholding, received 73 percent of all income, while tax withheld on payments to corporations made up just 70 percent of all tax.

The various types of recipients not only received different amounts of U.S. income, but also tended to receive different kinds of income. As is shown in Figure D, 54 percent of U.S. source income paid to foreign corporations was interest income. The corresponding figure for foreign individuals was only 21 percent. A higher percentage of income of individuals was made up of dividends (45 percent) than the income of corporations (38 percent). More than 80 percent of nominee and fiduciary income was dividends while government, international, and exempt organizations tended to receive interest (58 percent). Although personal service income is not shown as a specific category in Figure D, 13 percent of the income paid to foreign individuals falls into this category. Almost 90 percent of all personal service income was paid to individuals.

U.S. Withholding Taxes and Foreign Withholding Taxes

Most foreign countries impose withholding taxes similar to those of the United States. U.S. individuals and organizations that receive income from foreign countries can usually take a tax credit for the foreign taxes withheld from this income. Although foreign withholding tax rates tend to be similar to the U.S. tax rates, foreign countries, in general, withhold far more total tax on payments to U.S. corporations than the United States withholds on similar payments to foreign corporations. Although similar data dealing with the amount of income paid are not available, this withholding tax disparity is probably mainly due to U.S. corporations receiving more foreign income than foreign corporations receive U.S. income. In 1980, the latest year for which such information is available, U.S. corporations claiming a foreign tax credit had \$2.6 billion of tax withheld on dividends, interest, rents and royalties received from foreign countries [5]. This was more than seven times the amount of tax the U.S. withheld (\$362.8 million) on similar payments to foreign countries. This \$2.6 billion of foreign taxes withheld does not include tax withheld on payments to U.S. corporations that did not claim a foreign tax credit.

Figure E shows U.S. tax withheld on payments to foreign corporations, foreign taxes withheld on foreign income received by U.S. corporations claiming a foreign tax credit, and U.S. tax surplus or deficit (U.S. tax withheld minus foreign tax withheld) by income type by country for 1980. More tax was withheld by foreign countries than by the United States for each of the income categories (dividends, interest, and rents, royalties and license fees) shown.

Foreign tax withheld on dividend payments to U.S. corporations exceeded similar U.S. tax on dividend payments to foreign corporations by almost \$1.1 billion. One possible reason for

this disparity is that U.S. corporate investment in foreign corporations is probably greater than the reverse. It is also possible that foreign corporations are more likely to invest in the United States through unincorporated branches to avoid withholding taxes. These corporations would still pay U.S. income tax on their U.S. income. As the United States tends to have a relatively stable economy, foreign corporations may accept lower profit margins in the United States and therefore receive lower dividends, in exchange for a secure U.S. investment. U.S. investors in less-secure foreign economies, having greater political, and therefore economic, risk may require higher profit margins and therefore receive greater dividends from their foreign subsidiaries.

Foreign governments also withheld far more tax on interest payments to U.S. corporations than the United States withheld on similar payments to foreign corporations during 1980. The disparity is smaller (\$607 million) than for dividends and more than 57 percent of this difference can be accounted for by two countries, Mexico and Brazil. These countries are heavily indebted to U.S. banks and therefore must pay large interest amounts which are subject to foreign tax withholding. Tax withheld on interest payments to U.S. banks (\$309 million) represented 88 percent of tax withheld by Mexico and Brazil on interest payments to all U.S. corporations.

SUMMARY

The Deficit Reduction Act of 1984 exempts from withholding tax most U.S. source interest payments to nonresident aliens on new loans. This will enable small companies and the U.S. Treasury to borrow money from foreign lenders, whose interest rates have typically been lower than those in the United States. Large U.S. borrowers, who previously issued substantial foreign debt through Netherlands Antilles subsidiaries to avoid this withholding tax, can now issue this debt directly to the country of the lender. This may lessen the Antilles status as a tax haven.

Income payments to the United Kingdom increased by 60 percent from 1981 to 1982, from almost \$1.4 billion to more than \$2.2 billion. This increase is due in part to "dual resident corporations" making interest payments to U.K. lenders for startup borrowing costs and general debt. These "dual resident corporations" are incorporated in the United States while keeping their management in the United Kingdom. This dual residency allows the corporations to deduct losses from income in both countries.

For the first time interest has surpassed dividends as the most common type of income paid to nonresident aliens. Interest accounted for 48 percent of such income while dividends fell from 1981, to 43 percent of all income.

Figure D
Percent of Income Paid by Income Type and Percent of Tax Withheld by Income Type, by Recipient Type, 1982

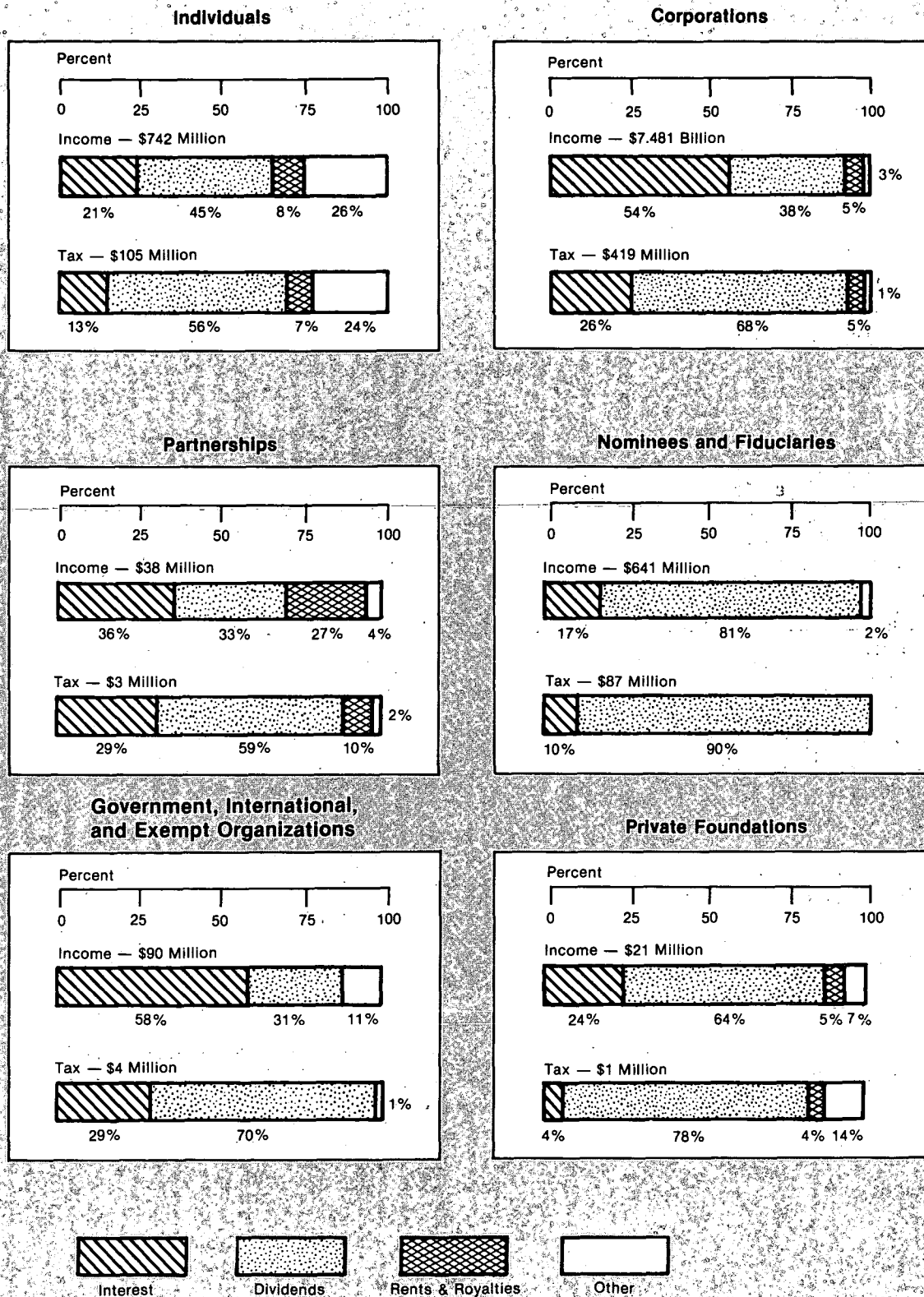


Figure E.--U.S. Tax Withheld on Payments to Foreign Corporations, Foreign Tax Withheld on Payments to U.S. Corporations Claiming a Foreign Tax Credit, and U.S. Tax Surplus or Deficit, by Income Type and Country, 1980

[Money amounts are in thousands]

Country or geographic area	Tax withheld on dividends			Tax withheld on interest			Tax withheld on rents, royalties and license fees		
	U.S. payments to foreign corporations ¹	Foreign payments to U.S. corporations ²	U.S. tax surplus or deficit	U.S. payments to foreign corporations ¹	Foreign payments to U.S. corporations ²	U.S. tax surplus or deficit	U.S. payments to foreign corporations ¹	Foreign payments to U.S. corporations ²	U.S. tax surplus or deficit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All countries	\$275,165	\$1,373,863	-\$1,098,698	\$69,752	\$675,488	-\$606,736	\$17,786	\$547,938	-\$530,152
Argentina	192	28,828	-28,636	10	38,711	-38,701	12	12,071	-12,059
Australia	343	55,062	-54,719	272	8,474	-8,202	955	72,761	-71,806
Belgium	4,189	42,770	-38,581	4,330	4,573	-243	2	268	-266
Brazil	16	84,386	-84,370	149	148,116	-147,967	15	19,556	-19,541
Canada	28,544	236,365	-207,821	22,234	111,923	-89,689	3,503	83,033	-79,530
France	17,475	24,859	-7,384	3,515	3,237	+278	1,771	25,836	-24,065
Italy	756	29,473	-28,717	206	3,963	-3,757	-	19,492	-19,492
Japan	17,501	51,526	-34,025	11,795	11,215	+580	6,351	77,917	-71,566
Mexico	419	53,037	-52,618	190	201,816	-201,626	774	77,539	-76,765
Netherlands	56,426	52,908	+3,518	1,494	3,310	-1,816	8	231	-223
Netherlands Antilles	4,668	4,048	+620	1,611	154	+1,457	17	7	+10
South Africa	44	36,890	-36,846	10	290	-280	6	10,085	-10,079
South Korea	5	27,163	-27,158	4	56	-52	-	1,713	-1,713
Switzerland	61,126	48,238	+12,888	11,111	534	+10,577	75	1,336	-1,261
Venezuela	310	20,056	-19,746	122	26,893	-26,771	2	5,556	-5,554
United Kingdom	45,149	183,235	-138,086	632	10,522	-9,890	711	10,964	-10,253
West Germany	5,829	255,766	-249,937	62	748	-686	5	1,685	-1,680
Other	32,173	139,253	-107,080	12,005	101,953	-89,948	3,579	127,888	-124,309

¹Does not include tax remitted by foreign governments and withholding agents as these amounts cannot be allocated to specific years.²Does not include tax withheld on income received by U.S. corporations not claiming a foreign tax credit. The amounts shown are for corporation tax returns having accounting periods ending between July 1980 and June 1981.

Although most payments went to individuals, the majority of the total income was paid to foreign corporations. Other types of recipients such as partnerships, fiduciaries, nominees, government organizations, exempt organizations, and private foundations received both a small percentage of all payments and a small percentage of the total income.

The United States collects far less in withholding taxes on payments to nonresident aliens than foreign countries withhold on similar payments to the United States. The withholding tax disparity for dividend income is probably due to the continuing high level of U.S. multinational investment in foreign countries. This subjects the dividend payments to the U.S. parent to foreign withholding. A slightly smaller disparity exists for interest payments. More than half the withholding tax on interest claimed by U.S. corporations for foreign tax credit purposes was withheld by Brazil and Mexico. These countries impose withholding taxes on the interest portion of the repayment of large borrowings from U.S. banks.

CHANGES TO 1981 FORM 1042S DATA

The following corrections were made to the 1981 Form 1042S data published in the Summer 1983 issue of the Statistics of Income Bulletin. These income changes are reflected in all text and tables of this article utilizing or

referring to 1981 data. No changes were made to tax data. Amounts are in thousands of dollars.

	Original amount	Adjustment	Revised amount
	(1)	(2)	(3)
Country			
All countries	\$9,561,489	\$155,498	\$9,716,987
Canada	1,238,255	-21,000	1,217,255
France	650,496	2,000	652,496
Netherlands	1,339,633	200,000	1,539,633
Switzerland	1,203,878	-2,000	1,201,878
West Germany	621,556	-23,502	598,054
Income type			
All income	\$9,561,489	\$155,498	\$9,716,987
Dividends	4,268,729	173,498	4,442,227
Other	5,292,760	-18,000	5,274,760
Recipient type			
All recipients	\$9,561,489	\$155,498	\$9,716,987
Individuals	733,383	-16,000	717,383
Corporations	7,017,018	198,000	7,215,018
Fiduciaries	68,088	2,000	70,088
Nominees	328,769	-5,000	323,769
Unknown	677,223	-23,052	654,171

DATA SOURCES AND LIMITATIONS

Payors of income to nonresident aliens must withhold tax in accordance with Chapter 3 of the Internal Revenue Code. The Form 1042S is filed to report this income and the U.S. tax withheld. Often the payor has a financial institution act as withholding agent.

The present statistics are tabulated by calendar year, based on all Forms 1042S filed for 1982. The years indicated in the tables represent the year in which the income was paid and the U.S. tax withheld, except for the tax from foreign governments and withholding agents. These amounts are shown by the year the tax was remitted to the United States under treaty agreements. Tax withheld amounts and percentages shown in Table 2 and Figures B, C, D and E, do not include tax withheld by foreign governments and withholding agents (except Canada). This additional withholding cannot be properly attributed to specific recipient and income types. Definitions and other information are available in the IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations.

As all Forms 1042S are included in these statistics, they were not subject to sampling error. However, the data are subject to non-sampling errors such as computer data entry errors and minor taxpayer reporting errors. Forms 1042S with income greater than \$500,000 were manually verified. A limited computerized program was used to test the data for certain basic numerical relationships, including the calculation of the correct tax withheld.

More detailed information on nonresident alien income and tax is available from the Statistics of Income (SOI) Division. This includes information for types of income and countries not discussed in this article.

EXPLANATION OF TERMS

Income Effectively Connected With a Trade or Business.--Income that is effectively connected with the conduct of a trade or business in the United States is exempt from withholding. This income is subject to substantially the same tax rates that apply to U.S. citizens, residents, and corporations. For example, if a foreign corporation has unincorporated operations in the United States, a Form 1120F must be filed and appropriate taxes paid for the income of

this operation. When income is then remitted to the foreign corporation, it is considered connected with a U.S. trade or business and not retaxed.

Nominee.--An entity, chosen or appointed to accept income for, or act on behalf of, the eventual recipient of the income. Typically a financial institution acts as nominee.

Nonresident Alien.--For purposes of this article, a nonresident alien is defined as an individual whose residence is not within the United States and who is not a U.S. citizen. Corporations and other organizations created or organized outside the United States are also considered nonresident aliens.

Withholding Agent.--Any person (individual, corporation, partnership, estate, or trust) required to withhold tax. Usually the withholding agent is the payor of the income or a "person" (usually a financial institution) acting on behalf of the payor. A foreign nominee or fiduciary required to withhold additional tax under a tax treaty is also a withholding agent.

NOTES AND REFERENCES

- [1] Phillips, John S., "Dual Resident Corporations," International Tax Review, Price Waterhouse, Vol. 9, No. 4, p. 2.
- [2] Certain data published for 1981 in the Statistics of Income Bulletin Summer 1983, were later adjusted. See "Changes to 1981 Form 1042S Data" in this article.
- [3] Treaties have been terminated with the following countries as of January 1, 1984: Anguilla, Barbados, Belize, Dominica, Grenada, Montserrat, St. Christopher-Nevis, St. Lucia, St. Vincent and the Grenadines. Antigua and Barbuda terminated its treaty with the United States effective August 26, 1983.
- [4] Carson, Chris R., "Nonresident Alien Income and Tax Withheld, 1981," Statistics of Income Bulletin, Summer 1983, pp. 36-37.
- [5] For additional information on foreign withholding taxes by income type and country, see the Foreign Tax Credit article in the upcoming Statistics of Income Bulletin, Winter 1984-1985.

Table 1.--Number of Forms 1042S Filed, Gross Income Paid, Tax Withheld, and Other Items, by Selected Treaty and Nontreaty Countries, 1982

[Money amounts are in thousands of dollars]

Country or Geographic area	Number of Forms 1042S filed	Income paid			Tax withheld		
		Total	Exempt from withholding	Subject to withholding	Total	Domestic withholding agents	Foreign Governments and withholding agents
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total.....	565,091	10,624,310	4,672,184	5,952,126	848,874	758,186	90,688
Treaty country, total.....	476,469	10,012,968	4,472,778	5,540,190	740,831	650,143	90,688
Australia.....	10,311	26,577	7,072	19,505	4,019	4,019	-
Austria.....	3,218	12,081	4,842	7,239	1,238	1,238	-
Belgium.....	8,633	120,166	23,781	96,385	16,485	15,050	1,435
Canada.....	241,256	1,151,846	423,631	728,215	110,385	110,385	-
Denmark.....	1,670	10,582	3,614	6,968	1,018	1,006	12
France.....	13,420	660,975	181,680	479,295	52,153	51,487	666
Germany, Federal Republic....	45,042	627,861	436,673	191,188	29,554	29,554	-
Greece.....	3,651	7,177	2,898	4,279	1,157	1,157	-
Ireland.....	3,529	15,140	5,956	9,184	1,428	1,428	-
Italy.....	6,863	51,748	19,300	32,448	7,565	7,565	-
Japan.....	6,120	703,643	136,245	567,398	61,661	61,661	-
Luxembourg.....	2,968	73,117	48,071	25,046	6,849	5,388	1,461
Netherlands.....	10,224	1,463,583	448,030	1,015,553	74,211	73,848	363
Netherlands Antilles.....	2,185	1,580,359	1,511,892	68,467	13,078	13,069	9
Norway.....	3,167	11,567	3,538	8,029	1,009	1,009	-
South Africa.....	2,044	4,071	576	3,495	1,045	1,045	-
Sweden.....	4,762	73,824	15,234	58,590	5,338	5,338	-
Switzerland.....	20,568	1,176,462	200,946	975,516	206,429	121,429	85,000
United Kingdom.....	76,927	2,174,506	975,440	1,199,066	142,468	140,726	1,742
Other treaty countries.....	9,911	67,683	23,359	44,324	3,741	3,741	-
Nontreaty country, total.....	88,622	611,342	199,406	411,936	108,043	108,043	-
Argentina.....	3,823	11,533	4,335	7,198	2,079	2,079	-
Bahamas.....	1,814	31,283	1,878	29,405	8,393	8,393	-
Bermuda.....	1,236	72,277	12,878	59,399	16,348	16,348	-
Brazil.....	1,738	7,506	959	6,547	1,900	1,900	-
Cayman Islands.....	736	43,876	37,231	6,645	1,970	1,970	-
Hong Kong.....	9,133	35,999	3,642	32,357	9,577	9,577	-
Israel.....	3,529	15,640	5,956	9,684	1,741	1,741	-
Kuwait.....	743	4,795	1,191	3,605	1,075	1,075	-
Liechtenstein.....	772	15,150	2,199	12,951	3,924	3,924	-
Mexico.....	8,863	30,601	7,079	23,522	6,888	6,888	-
Panama.....	2,710	69,624	18,781	50,843	15,018	15,018	-
Portugal.....	888	14,128	679	13,449	742	742	-
Saudi Arabia.....	2,298	51,208	47,257	3,950	1,169	1,169	-
Spain.....	3,555	17,344	5,833	11,511	3,150	3,150	-
United Arab Emirates.....	549	1,340	564	777	233	233	-
Venezuela.....	4,814	11,774	4,260	7,513	2,217	2,217	-
Other nontreaty countries....	41,421	177,264	44,684	132,580	31,619	31,619	-

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

Nonresident Alien Income and Tax, 1982

Table 2.--Number of Forms 1042S Filed, Tax Withheld, and Gross Income Paid by Selected Income Type, by Selected Recipient Type and Selected Country of Recipient, 1982

[Money amounts are in thousands of dollars]

Country or Geographic area	Number of Forms 1042S filed	Tax withheld	Income paid				
			Total	Interest	Dividends	Rent and royalty	Personal service
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
ALL RECIPIENTS							
Total.....	565,091	758,186	10,624,310	5,134,841	4,546,634	510,898	97,698
Bahamas.....	1,814	8,393	31,283	5,831	22,885	614	100
Belgium.....	8,633	15,050	120,166	38,184	64,111	15,555	746
Bermuda.....	1,236	16,348	72,277	31,550	24,084	6,104	468
Canada.....	241,256	110,385	1,151,846	503,340	503,497	53,676	10,074
Cayman Islands.....	736	1,970	43,876	37,731	5,021	301	77
France.....	13,420	51,487	660,975	265,539	274,687	47,847	8,075
Germany, Federal Republic.....	45,042	29,554	627,861	391,450	160,404	46,088	6,274
Hong Kong.....	9,133	9,577	35,999	4,105	29,445	1,600	605
Italy.....	6,863	7,565	51,748	16,937	12,377	14,160	3,291
Japan.....	6,120	61,661	703,643	433,329	140,400	108,090	7,916
Luxembourg.....	2,968	5,388	73,117	38,240	33,975	2	27
Mexico.....	8,863	6,888	30,601	7,773	8,749	6,326	2,200
Netherlands.....	10,224	73,848	1,463,583	423,272	994,663	29,742	2,672
Netherlands Antilles.....	2,185	13,069	1,580,359	1,470,529	70,715	31,939	51
Panama.....	2,710	15,018	69,624	36,896	27,236	3,453	94
Saudi Arabia.....	2,298	1,169	51,208	36,842	2,983	25	173
Sweden.....	4,762	5,338	73,824	8,400	55,303	1,146	5,621
Switzerland.....	20,568	121,429	1,176,462	433,681	693,283	37,344	3,420
United Kingdom.....	79,049	136,097	2,174,506	820,170	1,197,648	86,580	21,407
Other countries.....	97,211	67,952	431,352	131,042	225,168	20,306	24,407
INDIVIDUALS							
Total.....	413,854	105,333	742,145	152,237	335,004	62,342	86,797
Bahamas.....	832	1,018	3,815	344	3,143	212	75
Belgium.....	7,019	1,006	7,777	812	4,553	179	726
Bermuda.....	706	586	2,123	213	883	35	417
Canada.....	183,020	16,923	136,714	23,100	65,718	12,760	7,730
Cayman Islands.....	112	135	515	109	364	42	-
France.....	9,720	4,655	36,897	6,243	12,822	4,916	7,417
Germany, Federal Republic.....	37,110	6,877	89,514	20,573	49,662	4,337	5,859
Hong Kong.....	7,527	4,465	16,425	926	14,146	662	555
Italy.....	5,787	5,379	25,716	2,074	4,326	11,439	3,095
Japan.....	4,249	1,533	16,773	2,513	2,974	448	6,611
Luxembourg.....	849	260	1,400	113	1,197	2	10
Mexico.....	8,017	4,372	20,211	4,322	6,712	4,867	2,038
Netherlands.....	5,278	2,500	22,894	2,031	13,303	3,901	2,114
Netherlands Antilles.....	492	729	10,208	5,674	3,953	396	29
Panama.....	1,496	1,807	6,898	1,431	5,177	29	9
Saudi Arabia.....	2,088	750	7,624	274	1,788	25	173
Sweden.....	4,247	2,105	10,896	510	2,093	182	5,552
Switzerland.....	9,175	8,057	62,047	20,272	34,914	1,942	2,502
United Kingdom.....	42,718	12,155	108,651	25,871	44,093	8,976	19,581
Other countries.....	83,412	30,021	155,047	34,832	63,183	6,992	22,304
CORPORATIONS							
Total.....	51,962	419,079	7,481,441	4,039,602	2,831,605	393,570	8,617
Bahamas.....	526	3,948	15,078	3,839	9,115	393	17
Belgium.....	570	8,124	73,201	32,965	24,873	15,319	-
Bermuda.....	253	10,317	51,106	30,447	9,825	1,350	19
Canada.....	22,347	52,670	680,799	396,035	204,248	31,628	2,064
Cayman Islands.....	453	866	36,661	34,056	1,834	257	63
France.....	974	19,921	388,161	156,820	135,165	37,135	352
Germany, Federal Republic.....	1,853	15,802	352,747	238,885	68,645	34,365	413
Hong Kong.....	627	3,713	13,933	2,870	10,331	576	50
Italy.....	265	1,462	20,581	13,540	4,495	2,403	45
Japan.....	1,449	54,567	635,677	406,099	117,498	104,520	1,273
Luxembourg.....	799	2,362	40,470	31,262	9,147	-	-
Mexico.....	314	1,765	6,895	2,071	1,076	1,188	12
Netherlands.....	1,740	53,038	1,274,152	397,252	848,583	24,725	552
Netherlands Antilles.....	1,145	9,175	1,430,131	1,347,845	45,785	29,609	5
Panama.....	804	6,744	36,062	18,227	14,861	2,287	85
Saudi Arabia.....	33	69	229	172	57	-	-
Sweden.....	198	2,764	54,716	7,147	46,553	758	37
Switzerland.....	3,154	73,453	773,533	326,179	409,441	32,636	893
United Kingdom.....	9,460	74,261	1,418,293	515,561	799,540	64,518	1,743
Other countries.....	4,998	24,058	179,016	78,330	70,533	9,903	994

Controlled Foreign Corporations, 1980: A Geographical Perspective

By William Sutton and James Hobbs*

Controlled Foreign Corporations (CFC's) have played an important role in the world economy. While remitting \$10.7 billion in dividends during 1980 to their U.S. parent corporations, these 35,471 foreign corporations generated nearly \$700 billion of business receipts throughout the world. They also produced \$47.6 billion of pre-tax earnings and profits, with \$16.4 billion being paid in income taxes to foreign governments.

THE CONCEPT OF A CONTROLLED FOREIGN CORPORATION

A CFC is generally described as a corporation created under the laws of a government outside of the United States and with more than 50 percent of the voting stock or more than 50 percent of all classes of stock owned by U.S. persons on any day during the taxable year of the CFC. U.S. persons include corporations, partnerships, estates, trusts, and citizens and residents of the United States. The filing requirements for the Form 2952, Information Return with Respect to a Controlled Foreign Corporation, were such that a U.S. shareholder had to file a Form 2952 for each accounting period for each CFC which was controlled by that person, i.e., with over 50 percent stock ownership, for an uninterrupted period of 30 days during the CFC's annual accounting period. In addition to the CFC's described above, other "lower-tiered" foreign corporations, through a chain of control, were considered to be controlled by a U.S. person. If the foreign corporation (first-tier) controlled by a U.S. person(s) in turn owned more than 50 percent of a second-tier foreign corporation which, in turn, owned more than 50 percent of a third-tier foreign corporation, and so forth, then each foreign corporation was considered to be "controlled." As such, a Form 2952 had to be filed for each of these corporations by the U.S. parent. The data contained in this article are based on Forms 2952 filed by U.S. parent corporations [1].

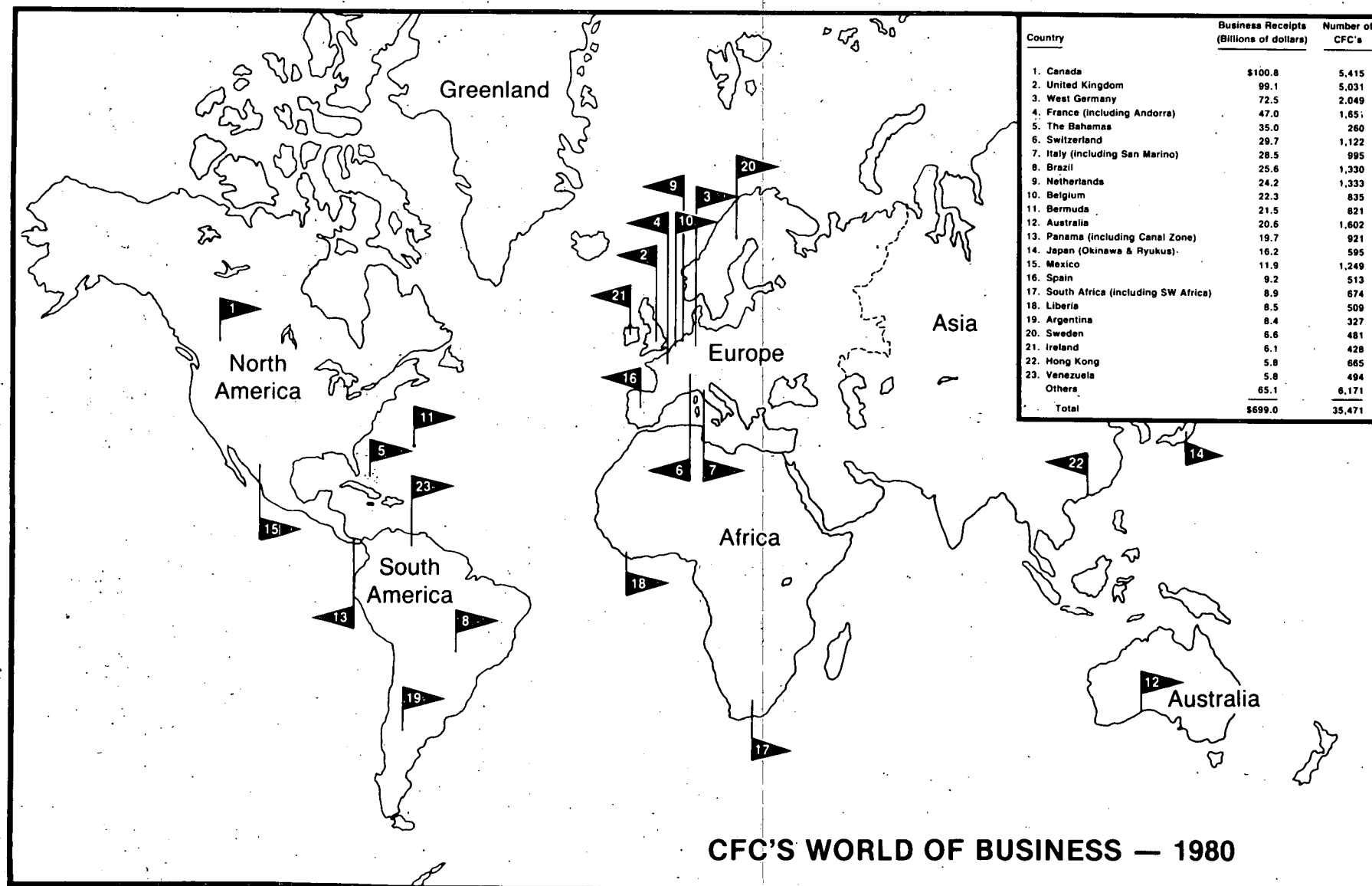
INVESTMENT DECISIONS ABOUT CFC'S

The use of Controlled Foreign Corporations was considered by U.S. corporations in many

investment decisions dealing with international markets. These decisions were generally concerned with underlying economic factors (such as proximity to the supply of raw materials and markets for finished products) and involved the location of the investments, i.e., either in the United States or in a foreign country. If a foreign location was decided on, then in most cases a permanent establishment in the foreign country was used. This was either in the form of a branch operation of the U.S. company or an investment in a foreign corporation. (Certain types of foreign operations, such as sales, did not require a foreign establishment, but rather could be conducted through pure exporting operations in the United States, independent agents in the foreign country, or mailing operations.) CFC's were one alternative often used when the foreign corporation approach was selected by U.S. companies. (If control of the foreign operation was not needed, then a U.S. company could invest in a foreign corporation with 50 percent or less stock ownership.) For 1980, CFC's had total assets of \$508 billion, an indicator of the use of CFC's as an investment vehicle. They, in turn, generated \$699 billion of business receipts throughout the world. The world map, following, shows the location pattern of CFC's.

U.S. tax considerations were an important incentive for establishing CFC's. The earnings and profits generated by CFC's in foreign countries were generally tax deferred until repatriated in the form of dividends to U.S. corporations. However, certain transactions made by CFC's in generating earnings and profits were considered to be "Subpart F income," which in turn, was taxable by the United States regardless of whether repatriated or not. This income was considered deemed to have been distributed to the U.S. shareholders of CFC's, and thereby taxable to the shareholders. Subpart F income included income from the insurance and reinsurance of U.S. risks, "foreign base company income," boycott participation income, and payments consisting of illegal bribes and kick-backs. For 1980, Subpart F income amounted to \$3.1 billion and pre-tax earnings and profits generated by CFC's were \$47.6 billion. CFC's

*Foreign Statistics Branch. Prepared under the direction of Daniel Skelly, Chief.



paid \$16.4 billion of income taxes to foreign governments during this same period. There were also \$10.7 billion of dividends distributed by CFC's to U.S. parent corporations, which were also taxable. (These dividends were not, however, all distributed from current earnings and profits, but came in part from accumulated earnings and profits of prior years.)

TAX LAWS OF FOREIGN COUNTRIES

As previously stated, economic factors were of major importance in investment decisions. For instance, the availability of skilled labor and markets for products help explain the predominance of manufacturing CFC's in European countries such as France, the United Kingdom, and West Germany (see Figure A). Nearly 74 percent of the assets of all European CFC's belonged to manufacturing corporations. However, in addition to the economic feasibility of investments, tax laws of certain foreign countries provided incentives to U.S. companies to invest in foreign corporations, including CFC's.

CFC's not only provided U.S. tax incentives for their parent companies, but many CFC's also enjoyed low tax rates (and other beneficial tax provisions) in certain foreign countries in which they operated. Foreign tax rates played an important role for U.S. companies in making offshore investment decisions. The host country has the first opportunity to tax the income the CFC earned in its country. When this income is repatriated to the U.S. parent company, a withholding tax may also be levied by the foreign country. When the dividends are received by the parent company from the CFC's, the dividends are subject to U.S. taxation. The United States also taxes deemed distributions, i.e., Subpart F income, as previously discussed. In order to avoid double taxation the U.S. firm can use a foreign tax credit against the U.S. income tax, generally up to the rate of the U.S. tax [2]. The worldwide tax burden has had an impact on the investment decisions of U.S. corporations (such as, in which foreign country to locate a particular business venture).

Certain countries imposed little or no tax on corporate income in 1980. For example, Bermuda had no corporate income tax [3]. However, Figure B shows that there were some foreign taxes (\$53 million) paid by CFC's in Bermuda. To an extent, these taxes were paid to other foreign countries by Bermudian CFC's doing business in those countries, in addition to doing business in Bermuda. For 1980, 20 percent of the CFC's incorporated in Bermuda reported another country as their principal place of business.

To attract investment, some countries singled out certain industries to receive special benefits. Liberia, for instance, had very

flexible tanker and other ship registration rules. In addition, Liberia generally did not tax foreign source income earned by CFC's. These shipping rules and tax benefits accounted for the large investment in the water transportation industry in Liberia. As shown in Figure A, this investment is indicated by the \$7.4 billion of assets in this industry, out of the total of \$8.8 billion of assets for all active Liberian CFC's [4].

Industries in other countries have received certain amounts of CFC investment which resulted in part from the tax incentives offered by the foreign countries. For instance, the Bahamas had CFC's with \$3.4 billion of assets engaged in the wholesale trade of petroleum and petroleum products, which produced \$30.7 billion of business receipts. For all active CFC's incorporated in the Bahamas, there were \$7.5 billion of assets and \$35.0 billion of business receipts. Further, there were large CFC investments in finance industries in Bermuda (\$8.4 billion of assets out of \$13.7 billion for all CFC's in this country), Hong Kong (\$5.0 billion out of \$8.3 billion), and the Netherlands Antilles (\$12.7 billion out of \$14.3 billion). For the Netherlands Antilles, the tax treaty with the United States which substantially exempted withholding taxes in the United States on interest payments that flowed to that country certainly added another reason for investment in finance CFC's [5].

Figure B shows the amount of taxes paid by CFC's as a percent of their earnings and profits, for selected countries. These percentages were the calculated "effective tax rates," which may vary considerably from the statutory tax rate(s) of the countries [6]. This is because (1) certain amounts of earnings and profits, and the associated foreign taxes paid, were applicable to operations in countries other than the "host" foreign country; (2) earnings and profits is an economic concept and does not necessarily equal the statutory tax base used; (3) many countries, such as France and West Germany, taxed various types of income at different rates; and (4) many countries, like the United States, had progressive tax rates.

Figure B also shows for 1980, that of the 19,523 CFC's which had positive earnings and profits, 4,879 or 25 percent paid no foreign income taxes. The types of taxes and methods of taxation used by foreign countries differed substantially, allowing many CFC's with positive earnings and profits to pay no income taxes due to the various provisions of the different tax structures.

GROWTH OF CFC ACTIVITY AROUND THE WORLD

In 1972 there were 29,221 CFC's [7] in the world with \$167.8 billion of assets, so that

Figure A.--Rates of Return and Profit Margins for Active Controlled Foreign Corporations, by Selected Countries of Incorporation and Primary Industries¹

[Money amounts are in millions of dollars]

Country of incorporation and primary industry	Number of CFC's	Total assets	Business receipts	Earnings and profits after taxes	Rate of return ²	Profit margin ³
	(1)	(2)	(3)	(4)	(5)	(6)
All countries, total	29,107	\$505,821	\$699,003	\$31,181	6.16%	4.46%
Canada, total	4,280	89,696	100,773	5,143	5.73	5.10
Manufacturing	1,741	43,581	66,335	3,022	6.93	4.56
Brazil, total	1,125	18,488	25,617	691	3.74	2.70
Manufacturing	497	11,955	15,469	478	4.00	3.09
Mexico, total	1,010	8,486	11,883	933	10.99	7.85
Manufacturing	649	6,352	9,440	696	10.96	7.37
Panama, total	711	13,884	19,657	1,291	9.30	6.57
Finance	78	4,968	1,287	302	6.07	23.46
The Bahamas, total	192	7,515	34,952	279	3.71	0.80
Trade ⁴	47	3,615	31,197	31	0.85	0.10
Bermuda, total	732	13,722	21,525	1,375	10.02	6.38
Finance	483	8,417	2,915	798	9.48	27.38
Netherlands Antilles, total	283	14,303	2,191	383	2.68	17.48
Finance	204	12,658	959	333	2.63	34.72
Belgium, total	761	14,306	22,314	704	4.92	3.15
Manufacturing	306	7,195	15,121	473	6.57	3.12
France, total	1,516	25,371	47,019	1,529	6.03	3.25
Manufacturing	648	16,788	32,666	1,069	6.36	3.27
Italy, total	835	19,620	28,492	1,367	6.97	4.79
Manufacturing	398	10,092	18,789	1,103	10.93	5.87
Netherlands, total	1,153	14,665	24,205	1,169	7.97	4.83
Manufacturing	402	7,673	15,124	570	7.43	3.77
Switzerland, total	1,049	17,170	29,704	1,640	9.55	5.52
Trade	341	7,460	23,488	1,050	14.08	4.47
United Kingdom, total	3,646	75,486	99,113	5,505	7.29	5.55
Manufacturing	1,366	36,868	55,544	2,582	7.00	4.65
West Germany, total ...	1,844	46,117	72,488	2,611	5.66	3.60
Manufacturing	802	25,376	40,053	1,310	5.16	3.27
Liberia, total	425	8,793	8,517	139	1.58	1.63
Water transpor- tation	266	7,416	7,286	93	1.25	1.28
Hong Kong, total	549	8,266	5,821	571	6.91	9.81
Finance	84	5,007	733	131	2.62	17.87
Japan, total	563	10,215	16,175	803	7.86	4.96
Trade	211	4,830	10,862	402	8.32	3.70
Australia, total	1,286	20,354	20,639	893	4.39	4.33
Manufacturing	491	8,715	11,026	420	4.82	3.81

¹Primary industries determined by amount of assets.²Derived by column 4 divided by column 2.³Derived by column 4 divided by column 3.⁴Ninety-three percent of this trade was petroleum and petroleum products.

Figure B.--Controlled Foreign Corporations With and Without Foreign Income Taxes Paid on Positive Earnings and Profits, by Selected Areas and Countries of Incorporation

[Money amounts are in millions of dollars]

Selected areas and countries of incorporation	CFC's Paying Foreign Income Taxes				CFC's Paying No Foreign Income Taxes ¹	
	Number of CFC's	Earnings and profits (+)	Foreign income taxes	Taxes as a percent of earnings and profits (+)	Number of CFC's	Earnings and profits (+)
	(1)	(2)	(3)	(4)	(5)	(6)
All geographic areas, total	14,135	\$50,489	\$16,887	33%	4,879	\$4,516
Canada	2,403	8,387	3,286	39	613	385
Latin America, total	2,134	6,635	1,890	28	830	538
Brazil	427	1,483	481	32	151	74
Mexico	661	1,660	710	43	103	30
Panama (including Canal Zone)	179	1,351	133	10	187	145
Venezuela	238	511	154	30	53	22
Other Western Hemisphere, total	298	1,258	189	15	585	1,213
The Bahamas	34	181	45	25	97	201
Bermuda	90	559	53	9	433	986
Netherlands Antilles	170	465	68	15	42	22
Europe, total	6,320	26,534	8,841	33	1,858	1,519
Belgium	420	1,147	622	54	60	53
France (including Andorra)	807	2,779	1,012	36	163	68
Italy (including San Marino)	513	2,124	655	31	63	24
Netherlands	578	1,582	499	32	169	178
Switzerland	547	2,131	393	18	142	45
United Kingdom	1,504	8,587	2,722	32	617	731
West Germany	889	5,556	2,302	41	339	167
Africa, total	628	1,673	553	33	329	394
Liberia	28	194	21	11	222	303
South Africa (including South-west Africa)	377	895	273	31	79	60
Asia, total	1,286	3,866	1,361	35	371	371
Hong Kong	286	658	160	24	107	96
Japan	326	1,599	711	44	69	18
Oceania, total	835	1,897	708	37	239	82
Australia	700	1,727	646	37	197	59

¹There were 510 additional CFC's with positive earnings and profits (\$789 million) and negative foreign income taxes (\$150 million).

although the number of CFC's in 1980 increased by only 21 percent to 35,471 (including inactive CFC's), the assets grew by 203 percent to \$508.0 billion. The volume of business receipts generated by CFC's grew even faster, skyrocketing by 305 percent, from \$172.4 billion in 1972 to \$699 billion in 1980. Even with a high rate of inflation (78 percent from 1972 to 1980 [8]) the increase in business receipts (sales and service income) was comparatively large. Many individual countries showed large dollar increases in CFC business receipts during this

same period, such as Canada from \$37.6 to \$100.8 billion, United Kingdom from \$20.4 to \$99.1 billion, West Germany \$15.9 to \$72.5 billion, and France from \$11.3 to \$47.0 billion.

The few countries which showed smaller business receipts for 1980 compared to 1972 were the East European Communist countries. CFC receipts in these countries fell from \$889 to \$29 million and the number of CFC's dropped from 42 to 18.

CFC'S BALANCE OF TRADE

For 1980, the overall "CFC balance of trade" with U.S. parent companies (including their domestic subsidiaries) produced a surplus of \$24.9 billion for the United States, with CFC purchases of stock in trade from U.S. parents of \$87.7 billion and sales to these U.S. parents of \$62.8 billion. In comparison, the United States was in an overall deficit trade position (\$24.1 billion) for 1980, with \$244.9 billion of imports and only \$220.8 billion of exports [9].

Figure C shows the U.S. 1980 balance of trade with selected foreign countries, and the sales and purchases of stock in trade between CFC's in those selected countries and their U.S.

parent companies. Certain comparisons between CFC activity in a particular country and the U.S. balance of trade with that country must be qualified. For instance, CFC's in the Bahamas reported greater sales (column 2) than the U.S. imports (column 5) from this country. This is partially explained by the difference in how U.S. Bureau of Census' statistics and CFC data are tabulated on a country basis. Census' statistics credit U.S. imports to the country of origin while CFC sales are based on the CFC's country of incorporation. The CFC sales to U.S. parent companies from the Bahamas included wholesale trade of such goods as petroleum and petroleum products. However, these CFC sales from the Bahamas were mainly attributable to CFC's being incorporated there to take advantage of the no-tax structure for

Figure C.--U.S. Balance of Trade, Purchases and Sales of Stock in Trade Between CFC's and Their Domestic Parents, for Selected Areas and Countries of Incorporation

[Millions of dollars]

Selected areas and countries of incorporation	CFC purchases from U.S. parents	CFC sales to U.S. parents	CFC balance of trade	U.S. Balance of Trade		
				Exports	Imports	Surplus or deficit
	(1)	(2)	(3)	(4)	(5)	(6)
All geographic areas, total	\$87,664	\$62,782	\$24,882	\$220,783	\$244,871	\$-24,100
Canada	15,318	10,984	4,334	35,395	41,459	-6,064
Latin America, total	7,853	2,517	5,336	36,030	29,952	6,078
Brazil	715	160	555	4,343	3,715	628
Mexico	1,030	502	528	15,145	12,580	2,565
Panama (including Canal Zone)	3,666	500	3,166	699	330	369
Other Western Hemisphere, total	6,946	30,879	-23,933	2,688	7,277	-4,589
The Bahamas	2,923	23,236	-20,313	396	1,469	-1,073
Bermuda	3,186	6,786	-3,600	136	13	123
Netherlands Antilles	828	852	-24	448	2,564	-2,116
Europe, total	40,626	6,966	33,660	72,230	48,503	23,727
United Kingdom	6,518	2,072	4,446	12,694	9,842	2,852
West Germany	12,294	1,456	10,838	10,960	11,693	-733
Africa, total	2,590	1,451	1,139	9,060	34,410	-25,350
Liberia	1,753	629	1,124	113	128	-15
Nigeria	36	506	-470	1,150	11,105	-9,955
South Africa (including South-West Africa)	429	23	406	2,463	3,321	-858
Asia, total	7,940	5,615	2,325	60,168	80,299	-20,131
Singapore	1,432	2,016	-584	3,033	1,921	1,112
Hong Kong	1,524	534	990	2,686	4,739	-2,053
Japan	1,205	572	633	20,790	30,714	-9,924
Oceania	2,882	288	2,594	4,876	3,392	1,484

corporate income, while the origin of the petroleum was not in the Bahamas. An additional qualification in comparing the statistics deals with timing. Census' data are based on the physical movement of goods for the 1980 Calendar Year, while CFC data are based on sales as reported for accounting periods beginning as early as September 1978 and ending as late as June 1981.

SUMMARY

Investment decisions by U.S. corporations concerning activity in foreign countries were generally based on both economic and taxation considerations. Overseas investments by U.S. corporations were often in the form of businesses incorporated in foreign countries but controlled by the U.S. parents, i.e., CFC's. For 1980, U.S. corporations invested in 35,471 CFC's, which had assets of \$508 billion. When CFC's were used, the U.S. tax effect to the parent corporations and the tax laws of the foreign countries in which the CFC's were located were important considerations [10].

Controlled Foreign Corporations have made a noticeable impact on the economies of many countries. They generated throughout the world nearly \$700 billion in business receipts in 1980, with \$47.6 billion of earnings and profits. Additionally, CFC's paid \$16.4 billion in income taxes to foreign governments, and remitted \$10.7 billion in dividends to their U.S. parent corporations.

DATA SOURCES AND LIMITATIONS

Sample Selection and Variability

The statistics for the 1980 Tax Year were estimated from a stratified probability sample of about 85,000 U.S. corporation income tax returns selected after revenue processing but before audit. A description of the sample selection procedures for corporate returns is presented in the Appendix.

From the general corporate sample described above, all returns containing Forms 2952 were used for the 1980 statistics presented in this article. The weighting factor used for each return was the same factor used for the U.S. parent corporation. The weighting factors used for the 1980 study resulted in an estimated 4,799 corporate returns, containing information for 35,471 CFC's.

Sampling variability (i.e., the degree to which statistics based on a sample differ from data based on similar samples) occurs only in strata in which returns were selected at a rate of less than 100 percent. For this article, returns selected at the 100 percent rate accounted for the largest part of the estimated

amounts. For instance, for 1980, CFC's owned by U.S. corporations with \$250 million or more in total assets (and selected at a 100 percent rate) accounted for the major portion of total assets (94.1 percent), business receipts (93.3 percent), and current earnings and profits (93.4 percent) of CFC's owned by all corporations. Because of the predominance of large companies, sampling variability is not considered a major limitation of the statistics.

Nonsampling Limitations

Controlled Foreign Corporations were classified by country of incorporation and principal place of business. The Form 2952 specified that the CFC designate the country from which the largest portion of gross receipts was derived as the principal place of business. Because the largest portion will vary, from one CFC to another, an undetermined amount of business was conducted with countries other than the country of principal place of business. Additionally, the term "country" used in this article includes not only countries, but also other separate taxation authorities, such as possessions.

About 50 U.S. corporations filed consolidated Controlled Foreign Corporation schedules, with the data aggregated for several companies. Follow-up requests were made in an attempt to get the individual CFC information. About 75 percent of these requests were successful. A part of the remaining data fell into the correct classification by country because all of the CFC's reported on that particular return were in the same country. The few remaining unresolved consolidated CFC's were left in the same country classification as the CFC showing the consolidated data.

Time Period Covered

The 1980 estimates are based on data from returns filed by U.S. corporations with accounting periods that were for full years ending any time between July 1980 through June 1981. In addition to these returns filed for 12-month accounting periods, the statistics also include data from part-year returns (filed for accounting periods ending during the same time period by corporations which were new, merging, liquidating or simply changing their accounting periods). Because Forms 2952 were filed for the accounting periods of CFC's ending with, or within the accounting periods of the U.S. parent corporations, the CFC accounting periods covered by the statistics may have ended any time during the period August 1979 through June 1981; however, most of the activity was deemed to have occurred during 1980.

EXPLANATION OF SELECTED TERMS

Business Receipts of Controlled Foreign Corporations.--Business receipts were, in general, gross receipts or gross sales less returns and allowances reported for CFC's on Forms 2952. In the finance, insurance, and real estate industries, business receipts were generally the total income or receipts of the CFC and may have included other types of income such as interest, royalties, rents, and other investment income. This definition differs from that used for business receipts statistics for domestic corporations, in that investment income is normally excluded.

CFC Balance of Trade.--This term is used to describe the excess of CFC sales to U.S. parents or purchases from U.S. parents. A surplus for the U.S. occurs when CFC purchases exceed sales to U.S. parents and a deficit for the U.S. results from an excess of sales to U.S. parents.

Current Earnings and Profits of Controlled Foreign Corporations.--This item represents the difference between the accumulated beginning and ending year balances of earnings and profits available for distribution to the stockholders. The earnings and profits of a foreign corporation must be calculated under U.S. accounting standards, as required by IRS regulations. This calculation is such that earnings and profits closely conforms to the economic income, as opposed to the taxable income, of the foreign corporation.

Foreign Base Company Income.--This part of Subpart F income included foreign personal holding company income ("passive" investment income), and foreign base company sales, services, and shipping income.

Foreign Income Taxes Paid by Controlled Foreign Corporations.--These were foreign income, war profits, and excess profits taxes paid or accrued by CFC's to foreign countries or U.S. possessions (including Puerto Rico). Also included were taxes imposed by other countries (including the United States) in cases where CFC's had business operations in countries other than the one in which they were incorporated.

Principal Place of Business.--The Form 2952 instructs the taxpayer to name the "principal cities and countries where business is conducted," meaning those places of business from which the largest portion of gross receipts was derived.

Profit Margin.--This ratio is the result of dividing current earnings and profits after taxes by business receipts.

Rate of Return.--This ratio is the result of dividing the current earnings and profits after taxes of a CFC by its assets.

Sales and Purchases of Stock in Trade.--These were sales and purchases of merchandise in the ordinary course of trade or business. Only sales and purchases between CFC's and their U.S. parents (including their domestic subsidiaries) were used in this article.

U.S. Balance of Trade.--This is the excess of exports over imports resulting in a surplus, or the excess of imports over exports resulting in a deficit or negative balance of trade.

NOTES AND REFERENCES

- [1] Nearly all CFC's are controlled by U.S. corporations, as opposed to other types of U.S. "persons" (estates, partnerships, etc.). Data contained in this article represent only those CFC's controlled by U.S. corporations. See Gianelos, Arthur, and Sutton, William, "Controlled Foreign Corporations, 1980," Statistics of Income Bulletin, Spring 1984, pp. 37-57.
- [2] See States, William, "Corporate Foreign Tax Credits, 1980: An Industry Focus," Statistics of Income Bulletin, Summer 1984, for a more complete discussion of foreign tax credits.
- [3] Other countries with certain low or no tax provisions included the Bahamas, Cayman Islands, Bahrain, New Hebrides, Netherlands Antilles, Gibraltar, Nauru, Turks and Caicos Islands, British Virgin Islands, Jersey (Channel Islands), Liechtenstein, Switzerland, Costa Rica, Hong Kong, Liberia, Panama, Philippines, Antigua, Barbados, Grenada, St. Vincent, Luxembourg, and the Netherlands. See Reiner, Wayne R., Taxation for Accountants, 23 October 1979, pp. 240-246. Additionally, countries such as the United Kingdom offered tax incentives other than low tax rates. These incentives included such items as large depreciation allowances on property. See Corporate Taxes, A Worldwide Summary, Price Waterhouse, October 1980.
- [4] Additional 1980 CFC data cross-classified by country and industry are available by request from the Statistics of Income Division, D:R:S, Internal Revenue Service, Washington, DC 20224.
- [5] See Carson, Chris R., "Nonresident Alien Income and Tax Withheld, 1982," Statistics of Income Bulletin, Fall 1984, for more information on tax treaties.
- [6] It should be noted that while Figure B shows an effective tax rate for all CFC's in a particular country (for example, the United Kingdom had a rate of 28 percent), many CFC's in that country had much lower or higher effective tax rates. For

instance, of the 2,281 CFC's with positive earnings and profits in the United Kingdom, 526 paid at an effective tax rate of 50 percent or more. Table 2 of this article shows effective tax rate groupings for selected countries.

- [7] Previous SOI studies showed that in 1962 there were 12,073 CFC's, 1965 had 17,668, 1966 reported 19,617 and in 1968 there were 20,895. For further details, see Statistics of Income, Supplemental Reports, Foreign Income and Taxes (1962, 1965, and 1966), and International Income and Taxes (1968).

- [8] U.S. Department of Commerce, Bureau of Economic Analysis, Survey of Current Business, July 1983, Vol. 63, No. 7, p. 80.

- [9] U.S. Department of Commerce, Bureau of the Census, Highlights of U.S. Export and Import Trade, FT 990, monthly; and unpublished data.

- [10] For an additional reference on this subject, see also Frisch, Daniel J. and Hartman, David G., Taxation and the Location of U.S. Investment Abroad, National Bureau of Economic Research, Working Paper No. 1241, November 1983.

Controlled Foreign Corporations, 1980

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Size of Total Assets of Controlled Foreign Corporation

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Selected country of incorporation and size of total assets of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations								Distributions	
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)		Total	Out of current earnings and profits
						Current earnings and profits before taxes	Foreign income taxes (net)				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		(9)	(10)
All Geographic Areas, total	4,799	35,471	508,031,994	699,003,002	47,621,582	55,794,508	16,736,730	16,440,451		14,115,642	9,643,638
Assets zero or not reported.....	1,517	5,087	—	878,004	269,589	313,116	19,993	18,287		131,322	46,098
\$1 under \$1,000,000.....	3,306	13,067	3,392,994	7,606,219	1,317,794	1,903,729	683,698	660,264		195,975	87,586
\$1,000,000 under \$10,000,000.....	2,427	11,134	42,300,419	67,113,551	4,603,973	5,952,080	1,886,408	1,837,308		1,371,999	849,525
\$10,000,000 under \$100,000,000.....	1,072	5,312	156,642,322	222,228,352	16,949,095	19,440,360	5,923,083	5,821,787		4,745,699	3,495,028
\$100,000,000 or more.....	247	870	305,696,259	401,176,877	24,481,131	28,185,223	8,223,548	8,102,804		7,670,647	5,165,401
Canada.....	2,527	5,415	90,043,610	100,773,346	8,285,453	8,963,459	3,251,184	3,142,670		1,987,908	1,558,742
Assets zero or not reported.....	623	899	—	160,451	131,470	138,766	—	7,986		7,629	5,014
\$1 under \$1,000,000.....	1,312	2,065	524,606	1,188,839	49,272	88,771	28,951	27,425		23,039	9,499
\$1,000,000 under \$10,000,000.....	1,063	1,567	5,599,545	10,054,137	771,175	854,720	326,772	322,987		184,270	101,323
\$10,000,000 under \$100,000,000.....	483	723	22,110,818	29,601,527	2,915,444	3,147,177	1,060,521	1,045,822		621,505	480,986
\$100,000,000 or more.....	116	162	61,808,642	58,768,392	4,418,092	4,734,024	1,841,499	1,754,421		1,151,466	961,920
Latin America, total	1,504	5,910	63,574,969	81,021,279	4,935,978	7,218,439	1,883,281	1,899,571		1,427,837	1,102,064
Assets zero or not reported.....	425	908	—	55,212	453	12,314	1,816	2,179		4,363	1,102
\$1 under \$1,000,000.....	1,029	2,340	556,932	1,025,338	9,554	107,412	23,646	23,345		26,225	13,885
\$1,000,000 under \$10,000,000.....	636	1,766	6,900,850	8,341,412	813,247	1,051,129	331,661	330,867		188,222	132,123
\$10,000,000 under \$100,000,000.....	321	789	22,345,758	30,326,753	2,683,887	3,179,012	895,161	894,970		764,699	589,435
\$100,000,000 or more.....	62	107	33,771,429	14,272,565	1,428,837	2,868,573	630,997	648,211		444,059	365,518
Brazil.....	687	1,330	18,714,994	25,617,128	1,183,736	1,566,973	479,521	492,684		319,325	233,104
Assets zero or not reported.....	123	173	—	13,638	—	1,220	130	—		—	—
\$1 under \$1,000,000.....	398	534	112,050	182,016	—	31,526	6,195	6,445		3,018	2,299
\$1,000,000 under \$10,000,000.....	267	382	1,531,306	1,636,423	79,288	169,682	53,376	53,685		25,500	18,840
\$10,000,000 under \$100,000,000.....	140	200	6,240,842	6,442,064	345,064	526,443	140,711	139,623		99,085	75,327
\$100,000,000 or more.....	34	41	10,830,795	17,368,988	778,989	838,102	279,109	292,800		191,721	136,638
Ecuador.....	63	87	272,444	336,736	24,430	28,237	4,606	4,616		5,290	4,988
Assets zero or not reported.....	6	7	—	506	—	—	—	—		—	—
\$1 under \$1,000,000.....	35	39	16,869	13,460	—	582	128	128		38	—
\$1,000,000 under \$10,000,000.....	26	32	141,139	147,670	12,405	15,231	2,849	2,864		2,334	2,069
\$10,000,000 under \$100,000,000.....	9	9	114,436	175,100	12,422	12,423	1,629	1,629		2,919	2,919
\$100,000,000 or more.....	—	—	—	—	—	—	—	—		—	—
Mexico.....	632	1,249	8,520,743	11,883,394	1,638,105	1,692,600	709,214	705,451		241,003	188,643
Assets zero or not reported.....	126	183	—	9,160	5,952	6,356	1,602	1,682		54	—
\$1 under \$1,000,000.....	344	490	122,115	275,617	18,939	26,548	9,366	9,702		4,456	2,187
\$1,000,000 under \$10,000,000.....	298	411	1,675,433	2,118,987	303,040	331,869	138,021	135,701		36,186	29,024
\$10,000,000 under \$100,000,000.....	124	152	4,137,266	5,007,143	902,247	919,901	383,937	382,079		136,987	105,346
\$100,000,000 or more.....	12	13	2,585,929	4,472,487	407,926	407,926	176,287	176,287		63,320	52,086
Panama (Including Canal Zone).....	422	921	13,952,464	19,857,203	1,427,229	1,502,321	132,790	136,160		347,957	251,745
Assets zero or not reported.....	105	217	—	26,617	—	1,234	16	16		1,458	66
\$1 under \$1,000,000.....	230	377	72,977	86,911	5,139	15,067	997	947		10,385	5,671
\$1,000,000 under \$10,000,000.....	132	199	798,674	957,878	118,196	131,886	22,237	22,740		44,956	22,612
\$10,000,000 under \$100,000,000.....	83	107	3,104,708	5,957,724	389,448	437,293	70,981	71,741		176,714	114,305
\$100,000,000 or more.....	18	21	9,976,105	12,628,073	914,580	916,841	38,559	40,715		114,444	109,091
Venezuela.....	248	494	4,588,308	5,850,745	411,523	538,498	153,759	155,972		127,562	103,979
Assets zero or not reported.....	52	63	—	31	645	651	15	15		1,773	636
\$1 under \$1,000,000.....	101	146	34,377	58,915	3,449	7,307	912	953		1,992	451
\$1,000,000 under \$10,000,000.....	117	183	720,710	882,541	91,918	103,418	28,231	28,170		23,390	19,323
\$10,000,000 under \$100,000,000.....	72	95	2,465,372	2,975,627	325,065	352,469	108,425	109,292		92,667	79,809
\$100,000,000 or more.....	7	7	1,367,848	1,933,630	—	74,652	16,176	17,543		7,739	3,760
All Other Latin America.....	615	1,829	17,526,016	17,676,073	250,954	1,889,810	403,392	404,689		386,700	319,604
Assets zero or not reported.....	161	266	—	5,260	458	2,853	52	339		1,079	400
\$1 under \$1,000,000.....	398	753	198,543	402,419	—	26,382	6,048	5,170		6,395	3,277
\$1,000,000 under \$10,000,000.....	277	560	2,033,589	2,597,913	208,400	299,042	86,947	87,708		55,855	40,255
\$10,000,000 under \$100,000,000.....	141	226	6,283,133	9,769,094	709,641	930,483	189,479	190,606		256,597	211,729
\$100,000,000 or more.....	21	25	9,010,751	4,901,387	—	631,051	120,866	120,866		66,835	63,943
Other Western Hemisphere, total	740	1,462	38,275,340	59,033,035	2,257,408	2,507,347	186,255	184,951		943,353	379,426
Assets zero or not reported.....	132	175	—	99,481	22,514	24,292	—	—		77,985	21,395
\$1 under \$1,000,000.....	323	447	109,934	343,640	4,309	29,891	3,035	1,971		28,530	6,081
\$1,000,000 under \$10,000,000.....	348	430	1,776,923	1,287,991	148,983	204,951	10,742	10,710		36,431	20,496
\$10,000,000 under \$100,000,000.....	242	325	10,409,722	6,801,314	832,967	878,913	55,122	54,305		306,954	141,150
\$100,000,000 or more.....	56	85	25,978,762	50,500,610	1,250,635	1,369,299	117,777	118,396		493,454	190,304
The Bahamas.....	146	260	7,524,769	34,951,662	322,780	395,921	43,968	43,511		159,694	75,924
Assets zero or not reported.....	35	50	—	615	86	613	21	21		54,491	593
\$1 under \$1,000,000.....	66	83	20,807	43,959	747	4,646	24	24		2,348	1,409
\$1,000,000 under \$10,000,000.....	54	67	250,618	324,413	5,223	21,996	2,293	2,536		6,304	4,468
\$10,000,000 under \$100,000,000.....	**49	**61	**7,253,345	**34,582,674	**316,723	**368,666	**41,631	**40,931		**96,551	**69,454
\$100,000,000 or more.....	**	**	**	**	**	**	**	**		**	**
Bermuda.....	498	821	14,131,863	21,525,395	1,427,284	1,566,404	52,037	51,859		372,378	191,796
Assets zero or not reported.....	60	77	—	96,780	20,274	21,521	—	—		23,482	20,802
\$1 under \$1,000,000.....	199	252	69,757	255,771	3,861	19,259	1,625	1,640		10,064	2,689
\$1,000,000 under \$10,000,000.....	255	295	1,211,261	787,300	122,123	156,740	5,987	5,728		27,874	14,158
\$10,000,000 under \$100,000,000.....	135	165	4,513,976	4,427,562	514,384	530,053	18,963	19,029		135,023	61,935
\$100,000,000 or more.....	23	32	8,336,869	15,957,982	766,642	838,832	25,965	25,965		175,936	92,212

Footnotes at end of table.

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Size of Total Assets of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and size of total assets of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations								Distributions	
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)			
						Current earnings and profits before taxes	Foreign income taxes (net)		Total	Out of current earnings and profits	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Other Western Hemisphere (continued)											
Netherlands Antilles	260	345	14,311,863	2,190,820	450,512	487,332	68,374	67,704	405,521	111,706	
Assets zero or not reported	37	39	—	2,020	2,089	2,093	61	50	12	—	
\$1 under \$1,000,000	83	101	17,994	39,299	-800	5,405	1,386	307	16,118	1,983	
\$1,000,000 under \$10,000,000	57	58	276,524	147,893	18,086	23,887	2,440	2,423	2,253	1,869	
\$10,000,000 under \$100,000,000	99	108	4,056,520	356,739	147,692	162,975	17,972	18,270	109,103	41,947	
\$100,000,000 or more	31	39	9,960,825	1,644,869	283,445	292,973	46,515	46,654	278,036	65,907	
All Other Western Hemisphere	30	36	2,306,844	365,157	56,831	57,690	21,877	21,877	5,759	—	
Assets zero or not reported	9	9	—	65	65	—	—	—	—	—	
\$1 under \$1,000,000	12	12	1,375	4,611	501	582	1	1	—	—	
\$1,000,000 under \$10,000,000	10	10	38,520	28,384	1,551	2,328	23	23	—	—	
\$10,000,000 under \$100,000,000	**4	**5	**2,266,949	**332,097	**54,714	**54,715	**21,853	**21,853	**5,759	**	
\$100,000,000 or more	**	**	**	**	**	**	**	**	**	**	
Europe, total	2,347	15,757	241,807,390	364,600,765	24,451,202	26,445,004	8,747,070	8,549,258	7,625,785	5,109,621	
Assets zero or not reported	665	2,147	—	420,072	66,847	83,741	20,216	19,574	21,638	9,046	
\$1 under \$1,000,000	1,597	5,575	1,509,897	3,702,216	1,285,138	1,540,823	595,183	588,705	79,351	36,441	
\$1,000,000 under \$10,000,000	1,404	5,144	19,641,948	35,424,332	7,720,369	2,492,512	818,624	776,205	665,966	397,870	
\$10,000,000 under \$100,000,000	660	2,500	75,612,901	123,275,380	7,190,310	8,650,360	2,770,413	2,684,872	2,287,139	1,660,775	
\$100,000,000 or more	160	392	145,042,644	201,776,764	14,188,537	15,677,568	4,542,633	4,479,902	4,571,692	3,005,489	
Austria	210	291	2,488,082	3,847,721	157,297	210,283	76,543	75,233	68,836	56,074	
Assets zero or not reported	16	21	—	—	1,096	1,114	410	410	—	—	
\$1 under \$1,000,000	106	122	38,154	86,455	643	5,494	2,371	2,379	832	487	
\$1,000,000 under \$10,000,000	94	110	367,532	726,740	8,231	45,366	21,142	21,329	13,466	8,437	
\$10,000,000 under \$100,000,000	27	31	712,794	1,234,137	59,859	70,842	23,118	21,611	19,192	17,109	
\$100,000,000 or more	7	7	1,369,602	1,800,389	87,468	87,468	29,503	29,503	35,347	30,041	
Belgium	540	835	14,316,653	22,313,903	1,323,109	1,504,889	621,287	619,190	350,551	251,489	
Assets zero or not reported	60	64	—	79,104	14,959	17,140	3,402	3,402	—	—	
\$1 under \$1,000,000	209	261	78,692	207,293	1,512	14,131	5,306	5,435	1,773	1,111	
\$1,000,000 under \$10,000,000	272	336	1,264,512	2,310,083	120,866	158,366	63,867	62,968	51,500	21,845	
\$10,000,000 under \$100,000,000	129	155	5,009,643	8,699,026	452,125	559,030	247,048	245,708	87,271	58,614	
\$100,000,000 or more	20	20	7,963,807	11,018,396	733,647	756,221	301,664	301,676	210,006	169,919	
Denmark	170	261	1,985,507	4,370,427	114,678	167,398	58,680	55,745	56,601	42,625	
Assets zero or not reported	13	13	—	—	-76	—	—	—	—	—	
\$1 under \$1,000,000	83	104	35,922	116,402	-3,603	2,585	1,019	899	1,284	355	
\$1,000,000 under \$10,000,000	81	117	391,704	886,076	16,921	37,764	12,384	11,052	10,725	3,416	
\$10,000,000 under \$100,000,000	22	24	777,001	1,316,441	19,537	45,151	11,979	10,495	14,645	8,909	
\$100,000,000 or more	3	3	780,881	2,051,508	81,899	81,899	33,298	33,298	29,946	29,946	
France (Including Andorra)	814	1,651	25,390,429	47,018,919	2,531,162	2,885,643	1,008,759	1,002,298	607,177	489,848	
Assets zero or not reported	99	155	—	29,989	9,657	11,493	4,179	3,608	1,321	1,125	
\$1 under \$1,000,000	382	514	177,111	405,344	3,104	29,619	10,466	9,729	3,062	1,734	
\$1,000,000 under \$10,000,000	404	619	2,291,934	4,310,391	168,463	253,665	102,703	100,562	44,470	28,683	
\$10,000,000 under \$100,000,000	214	315	8,944,254	15,412,650	905,446	1,025,938	430,602	429,827	223,627	166,434	
\$100,000,000 or more	44	48	13,977,130	26,860,546	1,444,292	1,564,928	460,808	458,573	334,697	291,872	
Italy (Including San Marino)	568	995	19,695,832	28,491,905	2,019,830	2,163,618	652,811	652,417	569,046	470,115	
Assets zero or not reported	80	97	—	33,007	13,212	13,236	5,169	5,169	460	453	
\$1 under \$1,000,000	275	324	82,925	163,644	12,358	19,415	6,122	6,113	5,595	2,815	
\$1,000,000 under \$10,000,000	245	330	1,362,571	2,149,919	109,248	138,338	55,505	54,820	32,472	23,228	
\$10,000,000 under \$100,000,000	148	216	6,223,558	9,391,936	631,544	719,803	222,222	222,523	214,682	154,741	
\$100,000,000 or more	22	28	12,026,779	16,753,399	1,253,469	1,272,827	363,792	363,792	315,838	288,878	
Luxembourg	67	97	3,446,872	1,130,897	136,136	139,293	36,898	37,150	34,599	30,739	
Assets zero or not reported	9	12	—	—	-85	229	1	1	—	—	
\$1 under \$1,000,000	27	33	9,800	12,134	2,381	2,719	502	542	398	398	
\$1,000,000 under \$10,000,000	18	22	85,812	82,406	6,264	6,495	1,721	1,804	437	281	
\$10,000,000 under \$100,000,000	18	22	721,217	573,101	87,632	89,906	26,850	26,979	15,964	12,786	
\$100,000,000 or more	8	8	2,630,043	463,256	39,945	39,945	7,824	7,824	17,799	17,274	
Netherlands	633	1,333	14,721,585	24,205,913	1,620,837	1,787,768	483,122	451,671	440,795	328,810	
Assets zero or not reported	110	161	—	61,406	7,675	8,401	2,655	2,553	1,331	1,311	
\$1 under \$1,000,000	307	481	135,238	307,864	12,590	29,971	6,665	5,856	7,443	2,847	
\$1,000,000 under \$10,000,000	316	457	1,737,004	3,111,599	194,341	255,411	80,922	73,481	77,207	42,035	
\$10,000,000 under \$100,000,000	147	206	6,304,624	9,561,164	701,771	778,674	213,723	209,409	195,201	166,598	
\$100,000,000 or more	23	28	6,544,719	11,163,880	704,460	715,310	179,157	160,373	159,605	116,019	
Spain	307	513	7,064,117	9,238,146	304,529	581,104	122,151	123,158	165,924	135,397	
Assets zero or not reported	50	54	—	2,115	255	339	—	—	—	—	
\$1 under \$1,000,000	110	144	35,491	59,205	-2,994	2,994	634	755	1,848	45	
\$1,000,000 under \$10,000,000	157	200	822,586	1,199,452	10,309	56,460	17,261	17,730	20,666	12,437	
\$10,000,000 under \$100,000,000	80	102	2,842,318	4,105,343	171,334	288,331	66,573	66,991	96,953	84,616	
\$100,000,000 or more	13	13	3,363,721	3,872,031	125,625	232,980	37,683	37,683	46,456	38,299	
Sweden	272	481	3,964,935	6,628,259	329,215	397,499	121,689	114,609	83,156	67,252	
Assets zero or not reported	37	66	—	3,898	377	603	355	355	375	126	
\$1 under \$1,000,000	137	198	43,374	111,033	-419	5,007	1,984	1,946	2,144	504	
\$1,000,000 under \$10,000,000	133	159	556,982	1,106,097	24,033	48,940	19,994	19,429	15,545	7,603	
\$10,000,000 under \$100,000,000	37	52	1,777,761	2,746,832	88,625	126,349	36,026	29,550	39,246	33,174	
\$100,000,000 or more	6	6	1,586,819	2,660,400	216,599	216,599	63,330	63,330	25,845	25,845	

Footnotes at end of table.

Controlled Foreign Corporations, 1980

Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Size of Total Assets of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and size of total assets of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations							Distributions	
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)	Total	Out of current earnings and profits
						Current earnings and profits before taxes	Foreign income taxes (net)			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Europe (continued)										
Switzerland	605	1,122	17,175,638	29,704,272	2,030,810	2,186,519	390,631	391,094	637,569	411,972
Assets zero or not reported	72	90	—	12,511	2,298	2,601	383	383	4,733	21
\$1 under \$1,000,000	331	443	125,282	486,846	9,733	29,117	5,653	5,762	13,329	4,743
\$1,000,000 under \$10,000,000	269	360	1,417,495	1,827,152	173,679	210,043	44,169	42,773	95,528	56,859
\$10,000,000 under \$100,000,000	141	197	5,740,108	8,061,988	525,979	596,998	116,217	117,089	239,483	154,008
\$100,000,000 or more	29	33	9,892,754	19,215,775	1,319,121	1,347,760	224,208	225,087	284,497	196,341
United Kingdom	1,557	5,031	75,916,888	99,112,663	8,033,716	9,540,775	2,658,360	2,528,236	2,121,430	1,669,179
Assets zero or not reported	401	1,052	—	146,487	14,594	23,310	2,836	2,927	11,726	5,550
\$1 under \$1,000,000	823	1,787	406,974	796,459	1,271,286	1,334,983	533,257	529,498	20,982	8,797
\$1,000,000 under \$10,000,000	796	1,382	5,351,633	8,933,690	536,624	731,595	213,442	188,931	129,459	88,377
\$10,000,000 under \$100,000,000	391	678	21,725,082	32,500,662	1,650,455	2,210,344	660,470	597,127	497,732	353,878
\$100,000,000 or more	98	132	48,433,199	56,735,366	4,560,758	5,240,543	1,248,355	1,209,753	1,461,531	1,212,637
West Germany	987	2,049	46,131,107	72,487,510	4,890,880	5,749,509	2,300,671	2,279,488	1,669,557	887,058
Assets zero or not reported	121	194	—	25,697	3,616	4,236	828	768	1,609	459
\$1 under \$1,000,000	496	761	232,607	733,117	—23,700	48,343	15,329	14,442	17,438	11,548
\$1,000,000 under \$10,000,000	456	677	2,547,287	6,272,733	258,900	378,825	142,146	138,825	143,524	84,345
\$10,000,000 under \$100,000,000	254	363	10,543,206	21,601,765	1,325,206	1,518,414	600,907	593,106	485,848	344,580
\$100,000,000 or more	42	54	32,808,007	43,854,198	3,326,858	3,799,934	1,541,461	1,532,346	1,021,137	446,127
All Other Europe	424	1,098	9,509,743	16,050,229	959,001	1,130,706	215,468	218,969	820,544	269,062
Assets zero or not reported	98	169	—	25,858	—929	1,040	—3	—3	73	—
\$1 under \$1,000,000	236	404	108,328	216,422	2,246	16,445	5,874	5,348	3,222	1,117
\$1,000,000 under \$10,000,000	226	374	1,444,897	2,407,993	92,490	171,488	43,367	42,503	30,966	20,325
\$10,000,000 under \$100,000,000	90	139	4,291,336	8,070,336	570,799	620,580	114,677	114,456	157,295	105,329
\$100,000,000 or more	10	12	3,665,182	5,329,619	294,395	321,153	51,552	56,665	628,987	142,293
Africa, total	521	1,668	17,194,842	22,669,414	1,704,355	2,091,626	547,960	548,240	732,986	340,029
Assets zero or not reported	170	275	—	7,426	6,433	8,186	715	715	2,678	978
\$1 under \$1,000,000	267	554	143,119	239,832	—52,170	34,837	6,871	6,700	11,830	7,807
\$1,000,000 under \$10,000,000	251	525	2,115,677	2,622,126	277,980	342,255	99,857	100,109	76,530	45,428
\$10,000,000 under \$100,000,000	140	288	7,001,871	8,417,367	932,761	1,025,427	318,036	317,851	195,154	155,290
\$100,000,000 or more	20	26	7,934,176	11,382,663	539,351	680,920	122,480	122,865	446,792	130,525
Liberia	158	509	8,855,733	8,517,246	156,069	498,350	16,908	17,353	343,407	45,119
Assets zero or not reported	58	73	—	4,762	3,641	4,989	—	—	776	246
\$1 under \$1,000,000	56	130	26,991	80,888	—73,841	6,385	67	49	1,027	281
\$1,000,000 under \$10,000,000	67	171	789,518	417,840	10,658	60,770	—2,849	—2,845	22,067	9,447
\$10,000,000 under \$100,000,000	54	120	3,139,608	2,432,091	198,465	267,490	16,993	17,067	17,265	6,380
\$100,000,000 or more	13	15	4,999,615	5,881,665	17,146	158,715	2,697	3,082	302,272	28,764
South Africa (Including S.W. Africa)	324	674	5,141,003	8,947,163	969,082	975,722	272,077	272,607	238,271	179,653
Assets zero or not reported	62	91	—	2,061	2,309	2,438	715	715	1,880	721
\$1 under \$1,000,000	168	283	76,967	110,048	21,581	22,893	4,899	4,891	9,898	6,928
\$1,000,000 under \$10,000,000	146	196	727,912	1,332,579	182,500	184,318	64,275	64,352	36,036	23,989
\$10,000,000 under \$100,000,000	80	97	2,127,766	3,048,335	427,392	430,773	149,070	149,523	113,545	102,015
\$100,000,000 or more	16	7	2,208,359	4,454,140	335,300	335,300	53,127	53,127	76,911	46,001
OPEC Countries	68	90	1,077,667	1,622,393	220,531	231,023	97,554	96,698	76,740	63,816
Assets zero or not reported	18	21	—	—	—	—	—	—	—	—
\$1 under \$1,000,000	25	25	5,779	9,067	—1,442	448	226	128	—	—
\$1,000,000 under \$10,000,000	21	23	97,308	101,554	10,887	11,437	5,163	5,163	1,096	483
\$10,000,000 under \$100,000,000	15	18	405,810	325,108	75,502	83,553	52,258	51,500	8,035	7,572
\$100,000,000 or more	3	3	568,770	1,186,664	135,585	135,585	39,906	39,906	67,609	55,760
All Other Africa	150	394	2,120,439	3,582,612	358,673	386,531	161,420	161,582	74,568	51,442
Assets zero or not reported	56	90	—	602	483	759	—	—	22	11
\$1 under \$1,000,000	70	116	33,382	39,829	1,533	5,111	1,688	1,632	905	599
\$1,000,000 under \$10,000,000	67	135	500,939	770,152	73,936	85,730	33,268	33,438	17,331	11,510
\$10,000,000 under \$100,000,000	**22	**53	**1,586,118	**2,772,029	**282,721	**294,931	**126,464	**126,512	**56,309	**39,322
\$100,000,000 or more	**	**	**	**	**	**	**	**	**	**
Asia, total	946	2,769	31,485,764	41,008,878	4,017,655	4,318,504	1,356,698	1,332,532	963,064	786,618
Assets zero or not reported	196	318	—	89,495	23,070	25,662	2,254	2,254	5,500	403
\$1 under \$1,000,000	596	1,096	288,129	618,546	10,683	59,601	15,245	771	14,517	7,463
\$1,000,000 under \$10,000,000	485	921	3,445,935	5,330,518	579,882	661,099	170,498	169,064	161,827	111,124
\$10,000,000 under \$100,000,000	201	377	10,744,601	14,199,190	1,573,126	1,684,750	522,763	514,576	396,893	324,634
\$100,000,000 or more	35	58	17,007,099	20,771,128	1,830,893	1,887,392	645,938	645,867	384,326	342,994
Hong Kong	415	665	8,275,576	5,821,380	729,868	756,757	159,581	158,947	242,072	192,170
Assets zero or not reported	74	92	—	21,233	3,695	3,701	444	444	275	266
\$1 under \$1,000,000	221	290	67,699	152,033	8,915	21,862	1,996	1,984	9,248	4,968
\$1,000,000 under \$10,000,000	171	201	708,445	1,162,189	132,372	142,852	17,735	17,252	68,295	39,330
\$10,000,000 under \$100,000,000	52	60	2,084,680	1,868,739	340,468	343,923	105,060	104,921	108,187	93,303
\$100,000,000 or more	16	22	5,414,751	2,617,186	244,417	244,417	34,346	34,346	56,068	54,303
Indonesia	51	63	569,055	530,442	171,133	182,720	40,986	34,878	48,138	39,375
Assets zero or not reported	6	7	—	—	—	—	—	—	—	—
\$1 under \$1,000,000	10	10	3,125	1,617	68	294	77	77	—	—
\$1,000,000 under \$10,000,000	32	32	152,046	163,473	95,796	103,922	9,843	9,843	7,266	6,512
\$10,000,000 under \$100,000,000	11	14	413,884	365,353	75,268	78,504	31,065	24,958	40,872	32,863
\$100,000,000 or more	—	—	—	—	—	—	—	—	—	—

Footnotes at end of table.

Controlled Foreign Corporations, 1980

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Table 1.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Size of Total Assets of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and size of total assets of Controlled Foreign Corporation	Number of U.S. corporation returns	Controlled Foreign Corporations								
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)	Distributions	
						Current earnings and profits before taxes	Foreign income taxes (net)		Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Asia (continued)										
Japan	423	595	10,214,965	16,175,231	1,497,131	1,617,141	709,933	693,713	378,418	334,758
Assets zero or not reported	26	29	—	20,973	— 119	767	797	797	408	—
\$1 under \$1,000,000	202	236	68,278	136,848	— 10,899	13,721	5,410	— 9,122	807	411
\$1,000,000 under \$10,000,000	192	218	827,062	1,461,721	102,979	130,990	59,287	59,091	15,809	11,262
\$10,000,000 under \$100,000,000	81	99	2,797,726	3,531,503	317,629	374,967	168,730	167,238	84,090	69,879
\$100,000,000 or more	13	13	6,521,898	11,024,185	1,087,541	1,096,696	475,710	475,710	277,304	253,207
Middle East (Except OPEC)	130	202	2,391,526	1,716,138	174,812	182,170	54,786	54,240	19,807	14,256
Assets zero or not reported	36	36	—	39,203	18,607	18,884	198	198	4,680	—
\$1 under \$1,000,000	65	83	19,011	34,758	1,448	3,542	1,407	1,440	476	340
\$1,000,000 under \$10,000,000	50	59	221,848	263,545	29,007	32,578	9,266	8,658	5,042	4,887
\$10,000,000 under \$100,000,000	17	19	577,960	390,784	50,187	51,603	11,994	12,022	9,310	8,730
\$100,000,000 or more	3	5	1,572,707	987,847	75,562	75,562	31,921	31,921	299	299
OPEC (Excluding Indonesia)	83	125	624,160	677,944	52,510	67,740	4,460	4,570	19,234	15,050
Assets zero or not reported	21	40	—	2,958	— 4	—	—	—	—	—
\$1 under \$1,000,000	35	40	8,734	10,261	— 991	364	96	99	22	22
\$1,000,000 under \$10,000,000	30	30	111,466	124,423	11,919	15,427	723	830	5,317	4,151
\$10,000,000 under \$100,000,000	13	15	503,960	540,302	41,587	51,949	3,641	3,641	13,895	10,878
\$100,000,000 or more	—	—	—	—	—	—	—	—	—	—
Philippines	156	213	2,194,150	3,357,485	236,412	272,415	106,771	105,402	54,410	45,553
Assets zero or not reported	19	20	—	4,023	— 344	78	94	94	—	—
\$1 under \$1,000,000	69	77	17,948	30,358	2,336	3,070	897	897	761	490
\$1,000,000 under \$10,000,000	68	76	306,165	420,007	29,679	38,545	12,648	12,310	4,301	3,476
\$10,000,000 under \$100,000,000	36	37	994,767	1,744,237	156,270	181,541	66,319	65,359	38,097	35,863
\$100,000,000 or more	3	3	875,269	1,158,860	48,471	49,181	26,813	26,742	11,250	5,724
All Other Asia	409	905	7,216,332	12,730,258	1,155,789	1,239,562	280,181	280,781	200,985	145,455
Assets zero or not reported	72	94	—	1,104	1,235	2,232	720	720	137	137
\$1 under \$1,000,000	251	359	103,333	252,671	9,807	16,747	5,363	5,396	3,203	1,233
\$1,000,000 under \$10,000,000	197	304	1,118,902	1,735,160	178,129	196,785	60,996	61,079	55,798	41,508
\$10,000,000 under \$100,000,000	90	133	3,371,622	5,758,273	591,716	602,264	135,954	136,438	102,442	73,117
\$100,000,000 or more	11	15	2,622,474	4,983,050	374,901	421,535	77,148	77,148	39,405	29,461
Oceania, total	681	1,976	21,874,465	23,104,538	1,737,143	1,997,387	706,528	726,449	414,652	353,892
Assets zero or not reported	159	298	—	26,299	9,977	11,201	1,679	1,691	11,530	8,160
\$1 under \$1,000,000	385	761	192,751	373,599	5,060	32,666	8,569	9,105	11,778	6,224
\$1,000,000 under \$10,000,000	363	608	2,221,994	3,398,573	253,218	292,695	111,232	110,810	53,305	37,085
\$10,000,000 under \$100,000,000	190	273	7,389,715	8,556,213	752,118	801,395	279,312	288,188	164,481	135,148
\$100,000,000 or more	27	36	12,070,005	10,749,944	716,769	859,429	305,736	316,655	173,558	167,274
Australia	647	1,602	20,418,036	20,639,051	1,555,874	1,803,113	642,907	662,657	368,286	312,262
Assets zero or not reported	132	220	—	21,074	9,395	10,611	1,380	1,392	11,223	7,983
\$1 under \$1,000,000	337	611	153,209	297,005	143	25,650	6,073	6,497	10,445	5,616
\$1,000,000 under \$10,000,000	324	495	1,857,970	2,825,020	211,481	246,263	95,802	95,270	49,437	33,664
\$10,000,000 under \$100,000,000	**207	**276	**18,406,857	**17,495,953	**1,334,855	**1,520,588	**539,653	**559,498	**297,182	**264,999
\$100,000,000 or more	**	**	**	**	**	**	**	**	**	**
All Other Oceania	222	374	1,456,428	2,465,486	181,269	194,274	63,620	63,792	46,366	41,630
Assets zero or not reported	50	78	—	5,136	582	590	299	299	307	177
\$1 under \$1,000,000	113	150	39,543	76,594	4,917	7,016	2,496	2,608	1,333	608
\$1,000,000 under \$10,000,000	96	113	364,024	573,553	41,737	46,432	15,431	15,540	3,869	3,422
\$10,000,000 under \$100,000,000	**28	**33	**1,052,862	**1,810,203	**134,033	**140,236	**45,394	**45,345	**40,857	**37,423
\$100,000,000 or more	**	**	**	**	**	**	**	**	**	**
Puerto Rico and U.S. Possessions, total	246	488	3,753,865	6,772,365	228,834	248,150	57,449	56,944	19,708	13,245
Assets zero or not reported	40	52	—	4,523	4,688	5,017	293	293	—	—
\$1 under \$1,000,000	147	221	65,630	111,058	5,310	9,072	1,894	1,938	356	186
\$1,000,000 under \$10,000,000	104	174	597,547	654,462	41,118	52,719	17,021	16,556	5,448	4,076
\$10,000,000 under \$100,000,000	32	37	1,007,185	1,049,510	69,501	73,325	21,755	21,671	8,604	7,609
\$100,000,000 or more	4	4	2,083,503	4,952,812	108,017	108,017	16,486	16,486	5,300	1,375
OPEC Countries, total (included above)	339	859	7,131,635	9,018,260	880,128	1,048,218	301,365	296,734	276,964	227,209
Assets zero or not reported	89	138	—	3,495	558	651	15	11	1,773	636
\$1 under \$1,000,000	178	260	68,885	93,320	769	8,996	1,439	1,385	2,052	473
\$1,000,000 under \$10,000,000	168	300	1,222,669	1,419,660	222,925	249,435	46,810	46,870	39,402	32,538
\$10,000,000 under \$100,000,000	100	151	3,903,463	4,381,490	529,845	578,899	197,017	191,019	158,388	134,041
\$100,000,000 or more	10	10	1,936,618	3,120,295	126,031	210,237	56,083	57,449	75,349	59,521

**Deleted or combined to avoid disclosure of information for specific corporations.

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

Controlled Foreign Corporations, 1980

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations								
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)	Distributions	
						Current earnings and profits before taxes	Foreign income taxes (net)		Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All Geographic Areas, total										
All foreign corporations	4,799	35,471	508,031,994	699,003,002	47,621,582	55,794,508	16,736,730	16,440,451	14,115,642	9,643,638
Foreign corporations with current earnings and profits (+) before taxes:										
Total	3,250	19,523	420,912,123	596,690,896	55,794,508	55,794,508	16,736,730	16,736,730	13,198,764	9,638,623
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	2,359	14,135	354,292,586	503,092,043	50,489,476	50,489,476	16,886,509	16,886,509	12,042,811	9,007,987
Under 10 percent	622	1,333	54,585,898	67,579,594	7,392,907	7,392,907	268,476	268,476	2,358,263	1,789,116
10 under 20 percent	607	1,219	41,155,804	53,824,757	4,995,452	4,995,452	740,799	740,799	1,013,168	765,425
20 under 30 percent	719	1,715	49,399,799	79,034,049	7,307,291	7,307,291	1,871,766	1,871,766	1,551,033	1,239,905
30 under 40 percent	936	2,431	69,707,716	105,334,137	10,613,238	10,613,238	3,698,994	3,698,994	2,640,893	1,816,914
40 under 45 percent	769	1,734	38,817,217	47,881,252	6,866,663	6,866,663	2,900,701	2,900,701	1,288,100	1,087,436
45 under 50 percent	874	2,100	35,785,161	51,953,853	5,384,577	5,384,577	2,540,111	2,540,111	1,263,406	1,039,485
50 under 60 percent	821	2,018	34,877,168	52,849,088	4,989,939	4,989,939	2,677,469	2,677,469	1,250,890	848,404
60 under 80 percent	496	870	17,077,798	25,882,376	2,049,640	2,049,640	1,341,126	1,341,126	455,239	334,747
80 under 100 percent	232	306	6,414,831	10,582,940	762,078	762,078	658,619	658,619	165,623	86,557
100 percent or more	270	408	6,471,193	8,169,996	127,692	127,692	188,448	188,448	56,195	—
With no foreign income taxes	1,830	4,879	56,396,490	80,865,905	4,515,883	4,515,883	—	—	991,362	536,488
With foreign income taxes (-)	325	510	10,223,047	12,732,949	789,149	789,149	- 149,779	- 149,779	164,591	94,147
Foreign corporations with current earnings and profits deficit before taxes	2,265	7,853	83,768,172	101,800,595	- 8,172,926	—	—	- 296,648	897,193	5,015
Foreign corporations with no current earnings and profits (+) and (-) before taxes	1,980	8,095	3,351,699	511,511	—	—	—	369	19,685	—
Canada										
All foreign corporations	2,527	5,415	90,043,610	100,773,346	8,285,453	8,963,459	3,251,184	3,142,670	1,987,908	1,558,742
Foreign corporations with current earnings and profits (+) before taxes:										
Total	1,709	3,071	75,643,254	79,494,473	8,963,459	8,963,459	3,251,184	3,251,184	1,959,731	1,558,742
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	1,366	2,403	66,682,705	73,990,124	8,387,840	8,387,840	3,285,749	3,285,749	1,884,723	1,525,185
Under 10 percent	99	107	3,079,281	2,730,420	345,660	345,660	14,613	14,613	131,362	87,010
10 under 20 percent	94	115	6,503,478	4,710,166	736,649	736,649	114,967	114,967	256,588	212,923
20 under 30 percent	153	193	7,936,356	9,255,485	984,424	984,424	258,125	258,125	240,501	215,090
30 under 40 percent	337	407	12,897,322	14,750,945	1,917,034	1,917,034	674,286	674,286	293,595	260,476
40 under 45 percent	342	419	12,181,890	14,685,919	1,550,679	1,550,679	661,717	661,717	336,212	281,720
45 under 50 percent	404	497	7,876,831	11,522,739	1,064,415	1,064,415	504,323	504,323	161,174	135,361
50 under 60 percent	373	499	8,606,150	7,782,211	939,502	939,502	507,516	507,516	251,229	156,391
60 under 80 percent	81	105	6,632,572	7,934,720	833,862	833,862	534,389	534,389	211,140	175,970
80 under 100 percent	24	25	578,563	455,465	12,261	12,261	11,010	11,010	2,858	242
100 percent or more	32	37	390,162	162,055	3,353	3,353	4,803	4,803	63	—
With no foreign income taxes	466	613	7,999,969	4,832,199	384,557	384,557	—	—	37,823	25,679
With foreign income taxes (-)	49	55	960,580	672,150	191,062	191,062	- 34,564	- 34,564	37,185	7,878
Foreign corporations with current earnings and profits deficit before taxes	659	894	13,794,102	21,038,815	- 678,005	—	—	- 108,504	27,985	—
Foreign corporations with no current earnings and profits (+) and (-) before taxes	802	1,450	606,255	240,058	—	—	—	- 10	192	—
Latin America, total										
All foreign corporations	1,504	5,910	63,574,969	81,021,279	4,935,978	7,218,439	1,883,281	1,899,571	1,427,837	1,102,064
Foreign corporations with current earnings and profits (+) before taxes:										
Total	900	3,015	49,783,522	70,415,862	7,218,439	7,218,439	1,883,281	1,883,281	1,399,357	1,102,064
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	626	2,134	41,652,018	65,131,854	6,634,814	6,634,814	1,890,193	1,890,193	1,298,760	1,021,793
Under 10 percent	152	229	10,717,176	17,090,470	1,359,743	1,359,743	28,202	28,202	300,417	253,644
10 under 20 percent	148	246	4,297,494	4,696,977	691,855	691,855	100,652	100,652	145,554	94,123
20 under 30 percent	216	370	6,746,055	11,722,682	1,289,394	1,289,394	311,938	311,938	290,319	224,308
30 under 40 percent	224	384	6,699,303	9,631,427	1,121,741	1,121,741	392,715	392,715	205,040	158,760
40 under 45 percent	167	225	3,979,076	6,270,600	820,546	820,546	351,141	351,141	128,054	117,110
45 under 50 percent	220	301	3,696,105	7,177,226	854,031	854,031	403,686	403,686	133,799	110,957
50 under 60 percent	168	200	2,343,001	5,253,300	378,539	378,539	199,822	199,822	59,416	50,911
60 under 80 percent	70	80	562,067	736,009	62,297	62,297	42,273	42,273	12,474	9,574
80 under 100 percent	41	45	696,065	2,016,774	46,380	46,380	40,504	40,504	10,751	2,406
100 percent or more	49	54	1,915,676	536,388	10,288	10,288	19,261	19,261	12,936	—
With no foreign income taxes	508	830	7,463,983	4,507,129	538,445	538,445	—	—	93,407	73,404
With foreign income taxes (-)	41	51	667,521	776,879	45,180	45,180	- 6,912	- 6,912	7,190	6,868
Foreign corporations with current earnings and profits deficit before taxes	702	1,409	13,199,134	10,577,241	- 2,282,462	—	—	15,980	28,031	—
Foreign corporations with no current earnings and profits (+) and (-) before taxes	698	1,486	592,313	28,176	—	—	—	310	450	—

Footnotes at end of table.

Controlled Foreign Corporations, 1980

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Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations								Distributions	
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)			
						Current earnings and profits before taxes	Foreign income taxes (net)		Total	Out of current earnings and profits	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Latin America (continued)											
Brazil											
All foreign corporations	687	1,330	18,714,994	25,617,128	1,183,736	1,566,973	479,521	492,684	319,325	233,104	
Foreign corporations with current earnings and profits (+) before taxes:											
Total	348	591	14,191,794	20,332,813	1,566,973	1,566,973	479,521	479,521	313,995	233,104	
With taxes (+) as a percent of current earnings and profits (+) before taxes:											
Total	269	427	13,012,713	19,039,452	1,483,069	1,483,069	481,191	481,191	303,194	223,436	
Under 10 percent	43	58	2,321,205	2,077,123	182,515	182,515	7,140	7,140	28,174	26,372	
10 under 20 percent	40	49	1,078,204	1,127,564	117,332	117,332	17,208	17,208	8,528	8,341	
20 under 30 percent	65	70	1,942,858	5,052,685	351,042	351,042	92,057	92,057	114,807	76,698	
30 under 40 percent	76	93	3,094,305	4,403,768	392,674	392,674	137,116	137,116	62,755	48,349	
40 under 45 percent	40	43	1,147,365	1,580,107	163,226	163,226	70,662	70,662	12,861	12,235	
45 under 50 percent	24	25	1,146,252	3,420,127	173,072	173,072	83,494	83,494	35,705	31,225	
50 under 60 percent	37	37	425,453	527,840	49,916	49,916	27,467	27,467	18,007	13,320	
60 under 80 percent	20	20	259,689	352,763	36,627	36,627	24,755	24,755	7,993	6,586	
80 under 100 percent	9	9	147,006	222,303	9,153	9,153	8,098	8,098	3,278	309	
100 percent or more	23	24	1,450,377	275,171	7,513	7,513	13,194	13,194	11,085	—	
With no foreign income taxes	121	151	940,263	993,895	74,466	74,466	—	—	8,036	7,226	
With foreign income taxes (-)	11	13	238,818	299,467	9,438	9,438	-1,670	-1,670	2,765	2,443	
Foreign corporations with current earnings and profits deficit before taxes	356	491	4,283,618	5,267,467	-383,237	—	—	13,162	5,330	—	
Foreign corporations with no current earnings and profits (+) and (-) before taxes	171	247	239,581	16,848	—	—	—	—	—	—	
Mexico											
All foreign corporations	632	1,249	8,520,743	11,883,394	1,638,105	1,692,600	709,214	705,451	241,003	188,643	
Foreign corporations with current earnings and profits (+) before taxes:											
Total	468	769	7,939,737	11,529,525	1,692,600	1,692,600	709,214	709,214	240,475	188,643	
With taxes (+) as a percent of current earnings and profits (+) before taxes:											
Total	402	661	7,695,633	11,260,442	1,660,256	1,660,256	709,964	709,964	238,275	186,443	
Under 10 percent	27	32	189,516	123,446	26,012	26,012	838	838	13,403	13,085	
10 under 20 percent	19	21	92,966	81,544	13,918	13,918	1,857	1,857	344	320	
20 under 30 percent	50	54	415,294	472,191	86,363	86,363	22,592	22,592	23,417	13,479	
30 under 40 percent	73	84	1,659,228	2,704,776	330,109	330,109	116,437	116,437	46,143	32,000	
40 under 45 percent	89	100	1,558,261	2,177,159	407,545	407,545	174,008	174,008	67,049	61,642	
45 under 50 percent	163	202	1,988,565	2,887,360	572,479	572,479	268,822	268,822	73,458	55,773	
50 under 60 percent	95	106	1,230,612	2,071,350	192,650	192,650	100,576	100,576	8,794	7,472	
60 under 80 percent	31	34	149,638	138,783	12,052	12,052	8,600	8,600	1,680	914	
80 under 100 percent	18	18	387,068	567,874	18,871	18,871	15,719	15,719	3,987	1,757	
100 percent or more	9	9	24,484	35,960	257	257	515	515	—	—	
With no foreign income taxes	94	103	182,368	217,379	30,091	30,091	—	—	2,027	2,027	
With foreign income taxes (-)	5	5	61,736	51,703	2,253	2,253	-750	-750	173	173	
Foreign corporations with current earnings and profits deficit before taxes	160	210	544,460	350,267	-54,495	—	—	-3,762	308	—	
Foreign corporations with no current earnings and profits (+) and (-) before taxes	188	270	36,547	3,602	—	—	—	—	219	—	
Panama (Including Canal Zone)											
All foreign corporations	422	921	13,952,464	19,657,203	1,427,229	1,502,321	132,790	136,160	347,957	251,745	
Foreign corporations with current earnings and profits (+) before taxes:											
Total	233	371	11,653,023	18,154,632	1,502,321	1,502,321	132,790	132,790	338,003	251,745	
With taxes (+) as a percent of current earnings and profits (+) before taxes:											
Total	117	179	9,534,534	17,297,515	1,351,029	1,351,029	132,885	132,885	305,989	232,005	
Under 10 percent	39	43	6,510,492	12,592,650	880,349	880,349	9,555	9,555	150,964	145,492	
10 under 20 percent	29	33	1,088,049	858,250	169,910	169,910	21,844	21,844	62,577	14,532	
20 under 30 percent	32	38	1,287,461	635,113	186,835	186,835	39,899	39,899	54,436	44,326	
30 under 40 percent	19	23	176,846	438,898	60,222	60,222	19,321	19,321	21,535	15,753	
40 under 45 percent	8	8	69,385	65,515	9,901	9,901	4,216	4,216	100	100	
45 under 50 percent	9	10	31,368	79,251	14,404	14,404	6,716	6,716	4,000	3,971	
50 under 60 percent	9	9	177,252	2,011,423	33,193	33,193	18,048	18,048	7,600	6,214	
60 under 80 percent	8	8	87,758	140,009	6,224	6,224	4,167	4,167	1,560	1,354	
80 under 100 percent	**7	**7	**105,923	**476,406	**9,991	**9,991	**9,118	**9,118	**3,217	**263	
100 percent or more	**	**	**	**	**	**	**	**	**	**	
With no foreign income taxes	142	187	2,049,188	809,717	145,093	145,093	—	—	31,677	19,403	
With foreign income taxes (-)	4	5	69,302	47,400	6,199	6,199	-96	-96	337	337	
Foreign corporations with current earnings and profits deficit before taxes	97	164	2,193,568	1,497,570	-75,092	—	—	3,370	9,724	—	
Foreign corporations with no current earnings and profits (+) and (-) before taxes	222	386	105,873	5,001	—	—	—	—	231	—	

Footnotes at end of table.

Controlled Foreign Corporations, 1980

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

All figures are estimates based on samples. Money amounts are in millions of dollars.										
Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations								
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)	Distributions	
						Current earnings and profits before taxes	Foreign income taxes (net)		Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Latin America (continued)										
Venezuela										
All foreign corporations	248	494	4,588,308	5,850,745	411,523	538,498	153,759	155,972	127,562	103,979
Foreign corporations with current earnings and profits (+) before taxes:										
Total	158	298	3,760,397	4,671,076	538,498	538,498	153,759	153,759	123,071	103,979
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	128	238	3,090,979	4,051,039	510,666	510,666	154,257	154,257	120,796	103,020
Under 10 percent	21	25	748,237	690,943	83,992	83,992	2,805	2,805	26,286	24,492
10 under 20 percent	26	43	259,434	291,641	41,847	41,847	6,356	6,356	7,719	6,922
20 under 30 percent	46	72	502,134	642,359	71,632	71,632	18,695	18,695	10,349	8,131
30 under 40 percent	51	66	630,073	944,001	150,980	150,980	53,269	53,269	43,241	32,461
40 under 45 percent	18	20	622,717	1,090,198	94,271	94,271	39,384	39,384	14,171	11,985
45 under 50 percent	6	6	56,771	78,499	18,967	18,967	9,022	9,022	6,034	6,034
50 under 60 percent	**6	**6	**271,613	**313,398	**48,977	**48,977	**24,726	**24,726	**12,995	**12,995
60 under 80 percent .....	..	..	..	..	..	..	..	..	..	..
80 under 100 percent .....	..	..	..	..	..	..	..	..	..	..
100 percent or more .....	..	..	..	..	..	..	..	..	..	..
With no foreign income taxes	47	53	579,204	539,687	21,952	21,952	—	—	1,877	562
With foreign income taxes (-)	5	7	90,214	80,350	5,880	5,880	-498	-498	397	397
Foreign corporations with current earnings and profits deficit before taxes	62	76	815,643	1,179,669	-126,975	—	—	2,213	4,491	—
Foreign corporations with no current earnings and profits (+) and (-) before taxes	98	120	12,267	—	—	—	—	—	—	—
Other Western Hemisphere, total										
All foreign corporations	740	1,462	38,275,340	59,033,035	2,257,408	2,507,347	186,255	184,951	943,353	379,426
Foreign corporations with current earnings and profits (+) before taxes:										
Total	540	895	35,012,580	53,138,563	2,507,347	2,507,347	186,255	186,255	809,015	379,426
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	225	298	22,115,628	17,506,732	1,258,365	1,258,365	188,941	188,941	567,713	216,212
Under 10 percent	104	117	8,304,553	5,106,607	698,235	698,235	19,521	19,521	315,508	141,772
10 under 20 percent	35	37	3,518,904	707,711	211,037	211,037	25,513	25,513	38,449	11,103
20 under 30 percent	55	61	2,557,569	431,139	95,463	95,463	25,472	25,472	37,886	13,697
30 under 40 percent	28	30	2,417,312	8,042,718	116,743	116,743	40,024	40,024	140,857	40,303
40 under 45 percent	7	7	2,372,908	558,210	67,809	67,809	29,877	29,877	5,242	2,999
45 under 50 percent	17	17	792,577	2,243,465	21,043	21,043	9,736	9,736	953	277
50 under 60 percent	14	14	82,006	213,278	10,959	10,959	6,011	6,011	1,310	762
60 under 80 percent	5	5	186,218	48,678	23,224	23,224	15,730	15,730	21,583	4,922
80 under 100 percent	5	5	1,173,616	141,368	13,326	13,326	12,050	12,050	5,300	378
100 percent or more	5	5	709,966	13,557	525	525	5,006	5,006	624	—
With no foreign income taxes	411	585	12,675,634	35,528,394	1,212,990	1,212,990	—	—	199,709	138,450
With foreign income taxes (-)	10	11	221,318	103,438	35,993	35,993	-2,686	-2,686	41,593	24,764
Foreign corporations with current earnings and profits deficit before taxes	223	308	2,644,174	5,870,506	-249,940	—	—	-1,305	130,461	—
Foreign corporations with no current earnings and profits (+) and (-) before taxes	191	260	618,586	23,966	—	—	—	—	3,877	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations								Distributions	
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)	Total		Out of current earnings and profits
						Current earnings and profits before taxes	Foreign income taxes (net)				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Other Western Hemisphere (continued)											
The Bahamas											
All foreign corporations	146	260	7,524,769	34,951,662	322,780	395,921	43,968	43,511	159,694	75,924	
Foreign corporations with current earnings and profits (+) before taxes:											
Total	93	134	7,059,362	33,166,411	395,921	395,921	43,968	43,968	102,723	75,924	
With taxes (+) as a percent of current earnings and profits (+) before taxes:											
Total	29	34	1,797,290	8,820,598	180,974	180,974	45,220	45,220	55,726	44,067	
Under 10 percent	6	6	200,176	277,573	41,462	41,462	1,471	1,471	6,264	3,577	
10 under 20 percent	**7	**7	**513,317	**118,856	**38,029	**38,029	**5,788	**5,788	**3,828	**2,830	
20 under 30 percent	**	**	**	**	**	**	**	**	**	**	
30 under 40 percent	**11	**11	**824,946	**8,168,734	**91,304	**91,304	**32,449	**32,449	**44,433	**37,135	
40 under 45 percent	**	**	**	**	**	**	**	**	**	**	
45 under 50 percent	4	4	216,162	52,091	3,010	3,010	1,404	1,404	701	25	
50 under 60 percent	**6	**6	**42,689	**203,344	**7,169	**7,169	**4,108	**4,108	**500	**500	
60 under 80 percent	**	**	**	**	**	**	**	**	**	**	
80 under 100 percent	**	**	**	**	**	**	**	**	**	**	
100 percent or more	**	**	**	**	**	**	**	**	**	**	
With no foreign income taxes	71	97	5,192,643	24,276,810	200,598	200,598	—	—	29,579	19,690	
With foreign income taxes (—)	3	3	69,429	69,003	14,350	14,350	—1,252	—1,252	17,418	12,168	
Foreign corporations with current earnings and profits deficit before taxes	36	53	423,139	1,776,365	—73,141	—	—	—457	56,959	—	
Foreign corporations with no current earnings and profits (+) and (—) before taxes	56	74	42,268	8,886	—	—	—	—	12	—	
Bermuda											
All foreign corporations	498	821	14,131,863	21,525,395	1,427,284	1,566,404	52,037	51,859	372,378	191,796	
Foreign corporations with current earnings and profits (+) before taxes:											
Total	367	528	12,168,998	17,581,384	1,566,404	1,566,404	52,037	52,037	298,888	191,796	
With taxes (+) as a percent of current earnings and profits (+) before taxes:											
Total	75	90	5,276,278	6,476,585	559,189	559,189	53,363	53,363	108,984	64,634	
Under 10 percent	42	44	3,058,924	3,479,143	368,653	368,653	6,897	6,897	75,508	50,208	
10 under 20 percent	8	10	1,202,464	475,953	113,424	113,424	13,706	13,706	3,922	3,663	
20 under 30 percent	8	8	279,209	174,726	24,041	24,041	6,173	6,173	10,361	7,649	
30 under 40 percent	6	6	294,412	31,476	13,341	13,341	4,881	4,881	6,725	1,299	
40 under 45 percent	3	3	47,820	61,723	11,136	11,136	4,936	4,936	999	999	
45 under 50 percent	4	4	303,648	2,176,842	11,621	11,621	5,335	5,335	75	74	
50 under 60 percent	8	8	37,614	17,601	3,775	3,775	1,973	1,973	810	262	
60 under 80 percent	3	3	35,418	46,572	8,830	8,830	5,840	5,840	10,584	480	
80 under 100 percent	**4	**4	**16,769	**12,549	**4,368	**4,368	**3,622	**3,622	**	**	
100 percent or more	**	**	**	**	**	**	**	**	**	**	
With no foreign income taxes	331	433	6,828,249	11,073,206	985,902	985,902	—	—	165,729	114,566	
With foreign income taxes (—)	4	5	64,471	31,593	21,314	21,314	—1,326	—1,326	24,175	12,596	
Foreign corporations with current earnings and profits deficit before taxes	149	193	1,495,009	3,928,932	—139,120	—	—	—177	73,490	—	
Foreign corporations with no current earnings and profits (+) and (—) before taxes	83	100	467,857	15,080	—	—	—	—	—	—	
Netherlands Antilles											
All foreign corporations	260	345	14,311,863	2,190,820	450,512	487,332	68,374	67,704	405,521	111,706	
Foreign corporations with current earnings and profits (+) before taxes:											
Total	176	215	13,581,876	2,028,424	487,332	487,332	68,374	68,374	401,645	111,706	
With taxes (+) as a percent of current earnings and profits (+) before taxes:											
Total	142	170	12,912,862	1,971,687	464,600	464,600	68,481	68,481	397,243	107,511	
Under 10 percent	59	66	5,045,071	1,347,843	287,853	287,853	11,152	11,152	233,735	87,988	
10 under 20 percent	22	22	1,849,952	169,099	67,338	67,338	8,188	8,188	30,727	4,638	
20 under 30 percent	44	49	2,213,631	167,643	52,680	52,680	14,035	14,035	21,737	6,020	
30 under 40 percent	**15	**16	**1,512,128	**135,754	**26,424	**26,424	**8,855	**8,855	**93,942	**3,868	
40 under 45 percent	**	**	**	**	**	**	**	**	**	**	
45 under 50 percent	**14	**14	**1,589,663	**145,863	**29,789	**29,789	**21,374	**21,374	**16,478	**4,997	
50 under 60 percent	**	**	**	**	**	**	**	**	**	**	
60 under 80 percent	**	**	**	**	**	**	**	**	**	**	
80 under 100 percent	**	**	**	**	**	**	**	**	**	**	
100 percent or more	3	3	702,417	5,485	516	516	4,877	4,877	624	—	
With no foreign income taxes	37	42	581,595	53,895	22,403	22,403	—	—	4,402	4,195	
With foreign income taxes (—)	3	3	87,418	2,842	329	329	—108	—108	—	—	
Foreign corporations with current earnings and profits deficit before taxes	54	56	717,978	162,396	—36,819	—	—	—670	12	—	
Foreign corporations with no current earnings and profits (+) and (—) before taxes	64	74	12,009	—	—	—	—	—	3,865	—	

Footnotes at end of table.

Controlled Foreign Corporations, 1980

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations							Distributions	
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)	Total	Out of current earnings and profits
						Current earnings and profits before taxes	Foreign income taxes (net)			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Europe, total										
All foreign corporations	2,347	15,757	241,807,390	364,600,765	24,451,202	28,445,004	8,747,070	8,549,258	7,625,785	5,109,621
Foreign corporations with current earnings and profits (+) before taxes:										
Total	1,698	8,491	197,213,215	310,152,292	28,445,004	28,445,004	8,747,070	8,747,070	6,935,948	5,105,086
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	1,307	6,320	171,668,857	275,109,102	26,534,055	26,534,055	8,841,236	8,841,236	6,654,035	4,891,250
Under 10 percent	354	622	26,663,315	38,513,257	4,234,088	4,234,088	179,828	179,828	1,464,713	1,206,653
10 under 20 percent	309	500	18,761,311	32,916,877	2,413,281	2,413,281	364,071	364,071	432,061	353,880
20 under 30 percent	395	707	27,500,142	51,052,780	4,227,915	4,227,915	1,095,409	1,095,409	850,102	671,051
30 under 40 percent	514	995	36,107,445	53,443,162	5,336,034	5,336,034	1,870,741	1,870,741	1,559,555	981,081
40 under 45 percent	355	598	13,318,993	18,216,343	3,432,369	3,432,369	1,437,327	1,437,327	598,256	492,232
45 under 50 percent	451	846	17,378,096	22,598,166	2,387,430	2,387,430	1,123,446	1,123,446	642,697	488,271
50 under 60 percent	479	1,067	18,827,591	29,967,253	2,940,171	2,940,171	1,560,953	1,560,953	790,154	521,118
60 under 80 percent	364	541	8,368,121	15,534,009	862,073	862,073	568,769	568,769	154,802	94,604
80 under 100 percent	160	193	3,021,479	6,489,977	639,848	639,848	548,917	548,917	123,152	82,359
100 percent or more	180	249	1,722,364	3,777,278	60,846	60,846	91,774	91,774	38,543	—
With no foreign income taxes	826	1,858	18,631,351	25,267,629	1,518,524	1,518,524	—	—	222,926	165,702
With foreign income taxes (-)	226	313	6,913,007	9,775,561	392,426	392,426	-94,166	-94,166	58,988	48,134
Foreign corporations with current earnings and profits deficit before taxes	1,284	3,883	43,589,925	54,273,849	-3,993,803	—	—	-197,869	682,522	4,535
Foreign corporations with no current earnings and profits (+) and (-) before taxes	852	3,383	1,004,250	174,623	—	—	—	57	7,315	—
Austria										
All foreign corporations	210	291	2,488,082	3,847,721	157,297	210,283	76,543	75,233	68,836	56,074
Foreign corporations with current earnings and profits (+) before taxes:										
Total	138	173	2,204,048	3,551,166	210,283	210,283	76,543	76,543	68,756	56,074
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	113	135	1,858,990	3,278,764	203,625	203,625	77,224	77,224	66,878	54,323
Under 10 percent	10	11	87,437	128,263	6,517	6,517	104	104	—	—
10 under 20 percent	6	6	416,342	1,153,466	51,350	51,350	6,440	6,440	26,628	24,717
20 under 30 percent	11	11	175,098	362,069	22,042	22,042	4,751	4,751	1,445	488
30 under 40 percent	13	14	380,833	299,626	29,945	29,945	10,601	10,601	3,772	3,609
40 under 45 percent	10	12	258,408	76,270	5,667	5,667	2,385	2,385	898	792
45 under 50 percent	14	14	90,879	207,033	27,794	27,794	13,070	13,070	10,255	10,058
50 under 60 percent	21	21	60,815	119,218	14,376	14,376	7,911	7,911	5,015	4,148
60 under 80 percent	23	23	238,197	367,008	40,679	40,679	27,285	27,285	11,424	9,919
80 under 100 percent	9	10	139,602	531,728	4,693	4,693	3,999	3,999	7,401	593
100 percent or more	13	13	11,380	34,082	563	563	679	679	39	—
With no foreign income taxes	30	34	304,623	223,525	5,145	5,145	—	—	309	181
With foreign income taxes (-)	4	4	40,434	48,877	1,513	1,513	-681	-681	1,569	1,569
Foreign corporations with current earnings and profits deficit before taxes	78	85	283,073	295,481	-52,986	—	—	-1,317	79	—
Foreign corporations with no current earnings and profits (+) and (-) before taxes	26	33	961	1,074	—	—	—	6	—	—
Belgium										
All foreign corporations	540	835	14,316,653	22,313,903	1,323,109	1,504,889	621,287	619,190	350,551	251,489
Foreign corporations with current earnings and profits (+) before taxes:										
Total	343	492	12,258,515	18,884,234	1,504,889	1,504,889	621,287	621,287	347,066	251,489
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	296	420	11,755,935	17,962,787	1,446,893	1,446,893	621,750	621,750	345,865	250,393
Under 10 percent	29	31	398,318	612,902	42,773	42,773	708	708	5,257	1,302
10 under 20 percent	18	19	2,366,538	534,940	24,482	24,482	3,649	3,649	6,881	6,741
20 under 30 percent	32	35	1,097,322	2,387,245	67,695	67,695	16,256	16,256	47,195	19,660
30 under 40 percent	59	63	2,978,711	5,930,425	486,916	486,916	172,733	172,733	114,544	107,831
40 under 45 percent	25	28	191,145	357,207	32,946	32,946	13,932	13,932	6,090	5,007
45 under 50 percent	55	65	1,513,532	2,935,026	230,820	230,820	106,830	106,830	48,035	40,147
50 under 60 percent	79	97	1,545,809	3,849,293	502,022	502,022	259,995	259,995	93,586	64,694
60 under 80 percent	39	40	1,107,162	482,551	37,791	37,791	24,403	24,403	6,231	4,775
80 under 100 percent	15	16	215,826	320,789	9,516	9,516	8,573	8,573	8,581	235
100 percent or more	26	26	341,572	552,410	12,132	12,132	14,669	14,669	9,464	—
With no foreign income taxes	58	60	442,500	871,533	53,457	53,457	—	—	188	188
With foreign income taxes (-)	11	12	60,080	49,914	4,539	4,539	-462	-462	1,013	908
Foreign corporations with current earnings and profits deficit before taxes	214	250	2,028,680	3,424,817	-181,779	—	—	-2,098	3,485	—
Foreign corporations with no current earnings and profits (+) and (-) before taxes	82	93	29,459	4,852	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations								
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)	Distributions	
						Current earnings and profits before taxes	Foreign income taxes (net)		Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Europe (continued)										
Denmark										
All foreign corporations	170	261	1,985,507	4,370,427	114,678	167,398	58,680	55,745	56,601	42,625
Foreign corporations with current earnings and profits (+) before taxes:										
Total	99	135	1,616,173	3,746,139	167,398	167,398	58,680	58,680	53,796	42,625
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	85	115	1,176,610	2,591,411	150,952	150,952	58,814	58,814	53,796	42,625
Under 10 percent	**	**	**	**	**	**	**	**	**	**
Under 20 percent	**7	**18	**51,469	**192,665	**5,536	**5,536	**742	**742	**	**
Under 30 percent	13	13	124,850	198,692	17,155	17,155	4,317	4,317	5,673	3,361
Under 40 percent	26	30	575,848	1,615,655	43,769	43,769	15,032	15,032	15,488	10,775
Under 45 percent	20	20	274,757	331,793	73,755	73,755	32,674	32,674	27,537	26,274
Under 50 percent	8	8	31,877	90,275	3,274	3,274	1,540	1,540	2,626	982
Under 60 percent	13	13	38,189	68,116	6,040	6,040	3,255	3,255	1,238	1,167
Under 80 percent	**10	**10	**22,920	**21,735	**1,089	**1,089	**786	**786	**338	**66
Under 100 percent	**	**	**	**	**	**	**	**	**	**
100 percent or more	3	3	56,700	72,480	334	334	468	468	896	—
With no foreign income taxes	**17	**20	**439,563	**1,154,728	**16,446	**16,446	**134	**134	**	**
With foreign income taxes (-)	**	**	**	**	**	**	**	**	**	**
Foreign corporations with current earnings and profits deficit before taxes	78	101	356,818	613,166	-52,720	—	—	-2,930	2,805	—
Foreign corporations with no current earnings and profits (+) and (-) before taxes	23	25	12,516	11,122	—	—	—	-5	—	—
France (Including Andorra)										
All foreign corporations	814	1,651	25,390,429	47,018,919	2,531,162	2,885,643	1,008,759	1,002,298	607,177	489,848
Foreign corporations with current earnings and profits (+) before taxes:										
Total	547	985	21,079,302	40,882,799	2,885,643	2,885,643	1,008,759	1,008,759	597,192	489,848
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	467	807	19,403,529	37,611,723	2,778,746	2,778,746	1,011,755	1,011,755	592,139	486,651
Under 10 percent	46	55	2,657,210	5,855,541	343,621	343,621	4,340	4,340	36,007	26,429
Under 20 percent	24	24	1,720,023	2,136,333	202,546	202,546	35,793	35,793	2,742	2,713
Under 30 percent	53	62	2,869,880	10,168,638	352,580	352,580	97,791	97,791	55,320	49,530
Under 40 percent	73	90	1,892,290	2,932,346	396,800	396,800	134,131	134,131	74,264	72,944
Under 45 percent	51	55	3,990,465	3,767,734	506,749	506,749	212,555	212,555	174,112	153,077
Under 50 percent	124	147	2,127,817	3,602,967	328,145	328,145	156,674	156,674	79,696	60,192
Under 60 percent	186	242	2,478,077	4,742,185	445,197	445,197	236,428	236,428	115,532	83,747
Under 80 percent	74	78	1,304,977	3,123,486	194,606	194,606	124,239	124,239	47,640	37,835
Under 100 percent	24	25	108,158	232,135	5,024	5,024	4,449	4,449	1,569	183
100 percent or more	29	30	234,631	1,050,358	3,477	3,477	5,355	5,355	5,259	—
With no foreign income taxes	129	163	883,690	1,810,286	67,792	67,792	—	—	1,736	1,594
With foreign income taxes (-)	15	15	792,083	1,460,789	39,106	39,106	-2,996	-2,996	3,316	1,603
Foreign corporations with current earnings and profits deficit before taxes	348	476	4,273,839	6,101,066	-354,481	—	—	-6,463	9,985	—
Foreign corporations with no current earnings and profits (+) and (-) before taxes	131	189	37,289	35,054	—	—	—	2	—	—
Italy (Including San Marino)										
All foreign corporations	568	995	19,695,832	28,491,905	2,019,830	2,163,618	652,811	652,417	569,046	470,115
Foreign corporations with current earnings and profits (+) before taxes:										
Total	374	585	17,707,270	25,514,312	2,163,618	2,163,618	652,811	652,811	563,256	470,115
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	330	513	16,987,655	24,620,108	2,124,369	2,124,369	655,365	655,365	554,904	463,219
Under 10 percent	29	32	1,338,098	3,079,574	127,972	127,972	4,026	4,026	7,799	5,353
Under 20 percent	32	44	2,869,071	6,651,820	395,652	395,652	71,121	71,121	63,335	62,000
Under 30 percent	73	82	2,087,336	2,773,470	393,977	393,977	102,988	102,988	81,016	72,788
Under 40 percent	131	152	7,772,381	7,474,733	829,610	829,610	301,899	301,899	306,037	259,922
Under 45 percent	66	75	1,621,573	2,163,850	285,882	285,882	118,089	118,089	51,878	49,951
Under 50 percent	38	41	411,221	871,702	39,830	39,830	18,820	18,820	3,988	3,257
Under 60 percent	31	36	536,804	941,296	35,344	35,344	19,061	19,061	36,862	8,885
Under 80 percent	17	17	111,007	229,382	9,408	9,408	6,081	6,081	2,432	856
Under 100 percent	16	16	145,447	199,416	4,052	4,052	3,502	3,502	1,046	207
100 percent or more	19	19	94,717	234,864	2,641	2,641	9,777	9,777	511	—
With no foreign income taxes	58	63	412,419	457,291	24,058	24,058	—	—	6,815	6,815
With foreign income taxes (-)	9	9	307,197	436,913	15,191	15,191	-2,554	-2,554	1,538	82
Foreign corporations with current earnings and profits deficit before taxes	169	227	1,896,392	2,977,585	-143,787	—	—	-394	5,790	—
Foreign corporations with no current earnings and profits (+) and (-) before taxes	159	184	90,170	9	—	—	—	—	—	—

Footnotes at end of table.

Controlled Foreign Corporations, 1980

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations								
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)	Distributions	
						Current earnings and profits before taxes	Foreign income taxes (net)		Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Europe (continued)										
Netherlands										
All foreign corporations	633	1,333	14,721,585	24,205,913	1,620,837	1,787,768	483,122	451,671	440,795	328,810
Foreign corporations with current earnings and profits (+) before taxes:										
Total	453	778	11,263,577	19,932,849	1,787,768	1,787,768	483,122	483,122	422,973	324,866
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	355	578	9,447,611	17,087,738	1,581,615	1,581,615	499,441	499,441	393,178	299,273
Under 10 percent	46	59	1,843,712	1,978,937	332,167	332,167	11,999	11,999	30,737	29,695
10 under 20 percent	22	25	721,498	965,010	84,630	84,630	11,982	11,982	9,863	7,863
20 under 30 percent	42	45	1,567,225	4,953,888	264,491	264,491	66,732	66,732	40,821	39,319
30 under 40 percent	68	76	1,179,396	1,851,682	154,624	154,624	52,473	52,473	19,630	12,279
40 under 45 percent	76	95	1,322,239	2,109,215	296,503	296,503	125,762	125,762	108,151	93,521
45 under 50 percent	103	132	1,483,046	2,353,688	326,477	326,477	155,630	155,630	144,984	103,238
50 under 60 percent	50	53	542,081	1,317,675	83,502	83,502	45,606	45,606	9,819	7,324
60 under 80 percent	40	43	608,674	1,372,289	33,430	33,430	22,572	22,572	21,330	5,933
80 under 100 percent	18	19	51,545	48,477	2,262	2,262	2,017	2,017	439	102
100 percent or more	30	31	128,196	136,877	3,529	3,529	4,668	4,668	7,402	—
With no foreign income taxes	125	169	1,427,560	2,475,156	178,055	178,055	—	—	23,142	20,008
With foreign income taxes (-)	29	32	388,406	369,955	28,098	28,098	-16,319	-16,319	6,653	5,585
Foreign corporations with current earnings and profits deficit before taxes	224	322	3,369,481	4,269,836	-166,931	—	—	-31,423	17,822	3,944
Foreign corporations with no current earnings and profits (+) and (-) before taxes	140	233	88,527	3,228	—	—	—	-28	—	—
Spain										
All foreign corporations	307	513	7,064,117	9,238,146	304,529	581,104	122,151	123,158	165,924	135,397
Foreign corporations with current earnings and profits (+) before taxes:										
Total	172	232	5,252,812	6,993,277	581,104	581,104	122,151	122,151	160,053	135,397
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	135	175	4,819,035	6,269,399	559,373	559,373	122,425	122,425	152,673	130,264
Under 10 percent	15	16	481,649	672,569	49,052	49,052	2,570	2,570	5,929	5,820
10 under 20 percent	21	22	1,443,940	1,913,167	191,018	191,018	25,099	25,099	12,931	12,305
20 under 30 percent	37	40	1,450,242	2,113,124	215,253	215,253	52,312	52,312	98,727	86,875
30 under 40 percent	50	54	774,076	668,328	72,496	72,496	24,098	24,098	25,964	20,730
40 under 45 percent	8	9	55,064	79,982	6,390	6,390	2,703	2,703	1,609	1,572
45 under 50 percent	8	8	63,290	121,192	7,006	7,006	3,287	3,287	1,999	981
50 under 60 percent	9	9	492,726	586,413	11,276	11,276	5,898	5,898	1,602	1,343
60 under 80 percent	**7	**7	**35,316	**61,236	**5,179	**5,179	**4,176	**4,176	**3,299	**638
80 under 100 percent	**	**	**	**	**	**	**	**	**	**
100 percent or more	10	10	42,732	53,388	1,703	1,703	2,282	2,282	613	—
With no foreign income taxes	48	53	353,590	553,372	20,550	20,550	—	—	5,878	5,133
With foreign income taxes (-)	4	4	80,187	170,506	1,182	1,182	-275	-275	1,502	—
Foreign corporations with current earnings and profits deficit before taxes	149	196	1,807,069	2,244,558	-276,575	—	—	1,008	5,871	—
Foreign corporations with no current earnings and profits (+) and (-) before taxes	75	85	4,235	311	—	—	—	—	—	—
Sweden										
All foreign corporations	272	481	3,964,935	6,628,259	329,215	397,499	121,689	114,609	83,156	67,252
Foreign corporations with current earnings and profits (+) before taxes:										
Total	171	238	3,214,689	5,253,186	397,499	397,499	121,689	121,689	79,787	67,252
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	143	186	2,441,409	4,058,057	368,741	368,741	122,097	122,097	78,072	66,183
Under 10 percent	20	24	1,035,593	1,766,484	142,894	142,894	4,420	4,420	23,209	23,209
10 under 20 percent	12	12	38,668	107,179	4,816	4,816	761	761	1,321	141
20 under 30 percent	11	11	87,785	173,062	19,123	19,123	4,941	4,941	3,214	3,214
30 under 40 percent	24	25	196,632	390,358	20,928	20,928	7,394	7,394	6,907	4,206
40 under 45 percent	6	6	21,722	52,275	1,735	1,735	732	732	101	101
45 under 50 percent	17	17	55,891	115,949	9,648	9,648	4,579	4,579	2,116	1,893
50 under 60 percent	41	47	751,485	928,547	149,514	149,514	84,678	84,678	33,436	31,127
60 under 80 percent	32	32	174,112	374,610	16,169	16,169	10,696	10,696	3,495	1,868
80 under 100 percent	5	6	28,546	82,705	3,532	3,532	2,931	2,931	1,138	422
100 percent or more	6	6	50,975	66,888	383	383	965	965	3,136	—
With no foreign income taxes	41	47	657,244	1,039,690	27,352	27,352	—	—	1,643	997
With foreign income taxes (-)	5	5	146,036	155,439	1,406	1,406	-407	-407	72	72
Foreign corporations with current earnings and profits deficit before taxes	98	118	746,843	1,375,073	-68,284	—	—	-7,080	3,093	—
Foreign corporations with no current earnings and profits (+) and (-) before taxes	63	125	3,404	—	—	—	—	—	276	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations								
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)	Distributions	
						Current earnings and profits before taxes	Foreign income taxes (net)		Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Europe (continued)										
Switzerland										
All foreign corporations	605	1,122	17,175,638	29,704,272	2,030,810	2,186,519	390,631	391,094	637,569	411,972
Foreign corporations with current earnings and profits (+) before taxes:										
Total	430	708	14,240,659	27,834,215	2,186,519	2,186,519	390,631	390,631	622,712	411,972
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	346	547	13,470,717	26,604,488	2,130,998	2,130,998	392,830	392,830	608,071	409,612
Under 10 percent	95	105	3,027,854	3,833,928	494,211	494,211	38,343	38,343	185,583	116,979
10 under 20 percent	107	124	5,201,957	13,657,823	953,369	953,369	131,146	131,146	160,521	124,856
20 under 30 percent	109	127	2,392,269	3,576,427	357,719	357,719	88,179	88,179	105,797	86,116
30 under 40 percent	83	92	1,534,409	3,638,239	200,289	200,289	70,569	70,569	105,154	50,834
40 under 45 percent	17	18	174,489	258,645	35,217	35,217	14,976	14,976	16,106	8,775
45 under 50 percent	21	21	545,118	572,749	49,457	49,457	22,854	22,854	30,115	21,203
50 under 60 percent	18	18	53,298	75,873	8,200	8,200	4,451	4,451	3,241	834
60 under 80 percent	19	21	456,077	439,437	29,052	29,052	18,401	18,401	4	3
80 under 100 percent	9	9	23,938	29,340	1,120	1,120	990	990	1,522	12
100 percent or more	13	13	61,307	522,026	2,363	2,363	2,922	2,922	27	—
With no foreign income taxes	108	142	641,159	946,055	45,351	45,351	—	—	12,171	562
With foreign income taxes (-)	16	19	128,783	283,672	10,170	10,170	-2,199	-2,199	2,470	1,798
Foreign corporations with current earnings and profits deficit before taxes	238	310	2,917,459	1,866,095	-155,709	—	—	442	11,096	—
Foreign corporations with no current earnings and profits (+) and (-) before taxes	86	104	17,520	3,961	—	—	—	21	3,762	—
United Kingdom										
All foreign corporations	1,557	5,031	75,916,888	99,112,663	8,033,716	9,540,775	2,658,360	2,528,236	2,121,430	1,669,179
Foreign corporations with current earnings and profits (+) before taxes:										
Total	1,045	2,281	61,651,056	82,855,354	9,540,775	9,540,775	2,658,360	2,658,360	2,078,048	1,668,598
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	741	1,504	50,064,159	66,310,088	8,587,239	8,587,239	2,721,600	2,721,600	1,936,214	1,562,907
Under 10 percent	121	146	12,742,434	17,331,149	2,180,233	2,180,233	96,870	96,870	998,703	872,514
10 under 20 percent	106	118	2,129,496	2,962,550	246,398	246,398	38,572	38,572	33,006	30,356
20 under 30 percent	151	170	6,846,527	8,094,460	1,016,762	1,016,762	266,465	266,465	173,214	145,107
30 under 40 percent	181	223	10,297,491	12,533,778	1,284,525	1,284,525	447,261	447,261	140,293	115,811
40 under 45 percent	125	142	2,579,262	3,261,074	1,603,130	1,603,130	662,027	662,027	73,555	62,903
45 under 50 percent	150	180	4,165,302	6,937,869	743,788	743,788	349,851	349,851	105,139	74,310
50 under 60 percent	195	330	8,919,817	10,875,185	1,199,618	1,199,618	629,184	629,184	382,467	251,301
60 under 80 percent	90	113	1,821,537	3,687,734	267,945	267,945	183,960	183,960	22,256	10,443
80 under 100 percent	39	43	331,262	414,636	37,449	37,449	33,181	33,181	1,616	161
100 percent or more	34	40	231,031	211,652	7,391	7,391	14,231	14,231	5,966	—
With no foreign income taxes	409	617	7,989,091	10,685,651	730,664	730,664	—	—	106,075	73,030
With foreign income taxes (-)	134	160	3,597,806	5,859,615	222,872	222,872	-63,240	-63,240	35,759	32,661
Foreign corporations with current earnings and profits deficit before taxes	611	977	13,657,087	16,184,238	-1,507,058	—	—	-130,185	40,150	581
Foreign corporations with no current earnings and profits (+) and (-) before taxes	532	1,773	608,745	73,072	—	—	—	61	3,231	—
West Germany										
All foreign corporations	987	2,049	46,131,107	72,487,510	4,890,880	5,749,509	2,300,671	2,279,488	1,669,557	887,058
Foreign corporations with current earnings and profits (+) before taxes:										
Total	688	1,254	36,560,097	61,118,296	5,749,509	5,749,509	2,300,671	2,300,671	1,545,226	887,048
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	539	889	32,241,026	56,844,164	5,555,840	5,555,840	2,302,399	2,302,399	1,506,633	856,136
Under 10 percent	52	66	1,755,477	2,165,680	211,864	211,864	9,375	9,375	49,448	34,877
10 under 20 percent	45	54	1,189,153	1,633,000	130,075	130,075	21,263	21,263	64,703	50,037
20 under 30 percent	58	66	6,812,911	12,094,520	1,219,163	1,219,163	322,702	322,702	104,883	66,721
30 under 40 percent	94	123	7,996,077	14,855,767	1,722,755	1,722,755	601,944	601,944	736,116	311,367
40 under 45 percent	77	90	2,346,589	4,752,359	491,689	491,689	211,926	211,926	115,714	72,573
45 under 50 percent	143	159	5,529,868	4,168,726	562,553	562,553	262,850	262,850	203,448	163,003
50 under 60 percent	119	138	2,196,385	5,467,470	424,122	424,122	230,804	230,804	98,067	58,357
60 under 80 percent	122	129	2,270,583	4,558,842	206,927	206,927	133,260	133,260	33,153	18,792
80 under 100 percent	29	29	1,882,575	4,426,868	566,951	566,951	484,641	484,641	98,044	80,409
100 percent or more	33	36	261,389	2,720,932	19,742	19,742	23,636	23,636	3,057	—
With no foreign income taxes	219	339	3,918,612	3,789,882	166,586	166,586	—	—	36,426	29,829
With foreign income taxes (-)	20	25	400,459	484,250	27,083	27,083	-1,729	-1,729	2,166	1,084
Foreign corporations with current earnings and profits deficit before taxes	397	537	9,520,967	11,330,903	-858,630	—	—	-21,183	124,300	9
Foreign corporations with no current earnings and profits (+) and (-) before taxes	171	259	50,043	38,311	—	—	—	—	31	—

Footnotes at end of table.

Controlled Foreign Corporations, 1980

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations							Distributions	
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)	Total	Out of current earnings and profits
						Current earnings and profits before taxes	Foreign income taxes (net)			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Africa, total										
All foreign corporations	521	1,668	17,194,842	22,669,414	1,704,355	2,091,626	547,960	548,240	732,986	340,029
Foreign corporations with current earnings and profits (+) before taxes:										
Total	373	967	13,276,344	19,892,760	2,091,626	2,091,626	547,960	547,960	723,261	340,029
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	275	628	7,877,224	13,102,744	1,672,800	1,672,800	552,933	552,933	338,435	263,084
Under 10 percent	33	39	802,149	801,636	165,989	165,989	5,914	5,914	10,778	9,972
10 under 20 percent	24	30	711,365	1,161,416	182,778	182,778	24,171	24,171	13,092	6,096
20 under 30 percent	64	81	1,081,865	2,857,175	258,017	258,017	62,802	62,802	55,181	50,977
30 under 40 percent	109	168	2,675,426	4,175,367	495,014	495,014	172,345	172,345	148,272	104,807
40 under 45 percent	100	138	1,153,528	2,065,829	312,217	312,217	131,353	131,353	78,596	68,314
45 under 50 percent	50	67	555,863	823,269	99,239	99,239	46,388	46,388	17,059	12,020
50 under 60 percent	40	52	584,690	658,985	103,834	103,834	54,956	54,956	12,892	6,794
60 under 80 percent	25	29	152,634	238,475	20,974	20,974	14,280	14,280	4,276	4,083
80 under 100 percent	9	9	31,917	54,456	2,406	2,406	2,131	2,131	58	21
100 percent or more	14	15	127,785	266,096	32,332	32,332	38,593	38,593	2,230	—
With no foreign income taxes	159	329	5,182,614	6,415,861	393,761	393,761	—	—	371,936	72,765
With foreign income taxes (—)	10	10	216,506	374,155	25,065	25,065	-4,974	-4,974	12,890	4,179
Foreign corporations with current earnings and profits deficit before taxes	139	275	3,633,453	2,762,776	-387,271	—	—	281	8,547	—
Foreign corporations with no current earnings and profits (+) and (—) before taxes	224	426	285,045	13,878	—	—	—	(¹)	1,178	—
Liberia										
All foreign corporations	158	509	8,855,733	8,517,246	156,069	498,350	16,908	17,353	343,407	45,119
Foreign corporations with current earnings and profits (+) before taxes:										
Total	98	253	5,490,727	6,005,639	498,350	498,350	16,908	16,908	339,916	45,119
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	20	28	985,032	913,575	193,593	193,593	20,807	20,807	6,114	5,087
Under 10 percent	9	9	722,920	725,641	151,614	151,614	5,414	5,414	2,300	2,300
10 under 20 percent	—	—	—	—	—	—	—	—	—	—
20 under 30 percent	5	5	70,109	61,767	23,585	23,585	6,153	6,153	121	91
30 under 40 percent	**5	**5	**19,070	**4,059	**1,845	**1,845	**736	**736	**1,065	**1,033
40 under 45 percent	**8	**8	**—	**—	**—	**—	**—	**—	**—	**—
45 under 50 percent	**8	**9	**172,933	**122,108	**16,549	**16,549	**8,504	**8,504	**2,628	**1,663
50 under 60 percent	**	**	**—	**—	**—	**—	**—	**—	**—	**—
60 under 80 percent	**	**	**—	**—	**—	**—	**—	**—	**—	**—
80 under 100 percent	**	**	**—	**—	**—	**—	**—	**—	**—	**—
100 percent or more	**	**	**—	**—	**—	**—	**—	**—	**—	**—
With no foreign income taxes	86	222	4,489,098	5,092,064	303,034	303,034	—	—	321,149	36,089
With foreign income taxes (—)	3	3	16,597	—	1,722	1,722	-3,899	-3,899	12,653	3,943
Foreign corporations with current earnings and profits deficit before taxes	47	134	3,165,047	2,498,932	-342,281	—	—	445	3,491	—
Foreign corporations with no current earnings and profits (+) and (—) before taxes	74	123	199,959	12,675	—	—	—	—	—	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations								Distributions	
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)			
						Current earnings and profits before taxes	Foreign income taxes (net)		Total	Out of current earnings and profits	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Africa (continued)											
South Africa (Including S.W. Africa)											
All foreign corporations	324	674	5,141,003	8,947,163	969,082	975,722	272,077	272,607	238,271	179,653	
Foreign corporations with current earnings and profits (+) before taxes:											
Total	264	462	4,969,212	8,835,583	975,722	975,722	272,077	272,077	236,758	179,653	
With taxes (+) as a percent of current earnings and profits (+) before taxes:											
Total	229	377	4,316,406	7,689,396	894,758	894,758	272,545	272,545	224,855	170,000	
Under 10 percent	19	20	56,782	53,615	11,275	11,275	299	299	6,493	6,121	
10 under 20 percent	17	19	588,363	913,960	168,524	168,524	21,773	21,773	7,747	750	
20 under 30 percent	50	57	826,702	2,428,177	170,445	170,445	40,492	40,492	46,970	43,794	
30 under 40 percent	93	118	1,843,792	2,557,733	301,139	301,139	106,933	106,933	99,934	64,787	
40 under 45 percent	86	113	837,082	1,551,775	230,491	230,491	96,200	96,200	61,039	53,964	
45 under 50 percent	12	13	60,746	81,395	7,436	7,436	3,512	3,512	220	220	
50 under 60 percent	12	15	35,241	24,727	3,247	3,247	1,743	1,743	2,014	169	
60 under 80 percent	**16	**17	**59,310	**71,032	**2,163	**2,163	**1,509	**1,509	**386	**195	
80 under 100 percent	**	**	**	**	**	**	**	**	**	**	
100 percent or more	5	5	8,388	6,982	38	38	84	84	52	—	
With no foreign income taxes	58	79	469,403	780,574	59,981	59,981	—	—	11,666	9,416	
With foreign income taxes (-)	6	6	183,404	365,613	20,983	20,983	-468	-468	237	237	
Foreign corporations with current earnings and profits deficit before taxes	43	55	135,558	110,377	-6,640	—	—	531	335	—	
Foreign corporations with no current earnings and profits (+) and (-) before taxes	91	158	36,233	1,203	—	—	—	(1)	1,178	—	
Asia, total											
All foreign corporations	946	2,769	31,485,764	41,008,878	4,017,655	4,318,504	1,356,698	1,332,532	963,064	786,618	
Foreign corporations with current earnings and profits (+) before taxes:											
Total	697	1,693	28,164,166	37,602,316	4,318,504	4,318,504	1,356,698	1,356,698	943,971	786,393	
With taxes (+) as a percent of current earnings and profits (+) before taxes:											
Total	565	1,286	24,794,149	33,959,418	3,866,461	3,866,461	1,361,345	1,361,345	888,118	737,871	
Under 10 percent	126	150	2,896,742	2,632,445	464,942	464,942	16,651	16,651	103,964	62,283	
10 under 20 percent	178	234	4,815,867	4,180,965	562,531	562,531	82,635	82,635	119,614	85,074	
20 under 30 percent	126	162	2,546,912	2,507,282	348,244	348,244	89,947	89,947	62,235	57,118	
30 under 40 percent	154	216	3,142,409	8,580,036	857,529	857,529	284,386	284,386	144,581	139,683	
40 under 45 percent	107	137	2,240,979	2,553,123	293,539	293,539	122,053	122,053	69,072	54,269	
45 under 50 percent	102	126	2,502,956	3,151,485	527,959	527,959	251,450	251,450	202,251	195,082	
50 under 60 percent	100	120	3,393,833	7,213,823	524,858	524,858	298,727	298,727	115,713	100,556	
60 under 80 percent	78	89	919,568	1,137,257	225,691	225,691	151,274	151,274	46,206	42,685	
80 under 100 percent	18	19	879,412	1,386,588	43,946	43,946	40,581	40,581	23,264	1,141	
100 percent or more	28	31	1,455,470	616,413	17,222	17,222	23,640	23,640	1,217	—	
With no foreign income taxes	279	371	2,670,388	2,797,817	370,556	370,556	—	—	49,483	46,564	
With foreign income taxes (-)	32	36	699,629	845,081	81,487	81,487	-4,647	-4,647	6,370	1,958	
Foreign corporations with current earnings and profits deficit before taxes	396	615	3,194,739	3,393,066	-300,850	—	—	-24,166	13,110	225	
Foreign corporations with no current earnings and profits (+) and (-) before taxes	276	461	126,859	13,495	—	—	—	—	5,983	—	
Hong Kong											
All foreign corporations	415	665	8,275,576	5,821,380	729,868	756,757	159,581	158,947	242,072	192,170	
Foreign corporations with current earnings and profits (+) before taxes:											
Total	291	398	7,924,820	5,590,562	756,757	756,757	159,581	159,581	239,938	192,170	
With taxes (+) as a percent of current earnings and profits (+) before taxes:											
Total	229	286	6,547,990	5,009,349	657,831	657,831	159,621	159,621	207,006	161,619	
Under 10 percent	62	65	1,178,615	765,651	146,334	146,334	6,737	6,737	50,521	40,069	
10 under 20 percent	138	165	3,597,853	2,563,940	316,893	316,893	47,340	47,340	112,850	79,795	
20 under 30 percent	23	23	990,070	471,097	25,529	25,529	6,038	6,038	1,749	1,163	
30 under 40 percent	14	14	366,279	944,883	42,813	42,813	13,672	13,672	7,674	7,098	
40 under 45 percent	4	4	90,635	28,023	1,870	1,870	818	818	—	—	
45 under 50 percent	3	3	38,484	28,883	537	537	250	250	—	—	
50 under 60 percent	3	3	122,893	11,997	1,442	1,442	815	815	81	81	
60 under 80 percent	**9	**9	**163,161	**194,875	**122,413	**122,413	**83,951	**83,951	**34,131	**33,413	
80 under 100 percent	**	**	**	**	**	**	**	**	**	**	
100 percent or more	**	**	**	**	**	**	**	**	**	**	
With no foreign income taxes	96	107	1,332,211	482,480	96,424	96,424	—	—	32,932	30,551	
With foreign income taxes (-)	4	4	44,618	98,734	2,502	2,502	-41	-41	—	—	
Foreign corporations with current earnings and profits deficit before taxes	110	130	334,640	229,727	-26,889	—	—	-634	2,135	—	
Foreign corporations with no current earnings and profits (+) and (-) before taxes	109	138	16,117	1,090	—	—	—	—	—	—	

Footnotes at end of table.

Controlled Foreign Corporations, 1980

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

All figures are estimates based on samples—money amounts are in thousands of dollars										
Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations							Distributions	
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)		
						Current earnings and profits before taxes	Foreign income taxes (net)		Total	Out of current earnings and profits
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Asia (continued)										
Japan										
All foreign corporations	423	595	10,214,965	16,175,231	1,497,131	1,617,141	709,933	693,713	378,418	334,758
Foreign corporations with current earnings and profits (+) before taxes:										
Total	306	402	9,253,143	15,278,992	1,617,141	1,617,141	709,933	709,933	374,803	334,533
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	255	326	8,925,724	14,869,606	1,598,531	1,598,531	711,202	711,202	373,402	333,660
Under 10 percent	18	19	106,955	69,026	15,396	15,396	615	615	516	490
10 under 20 percent	14	14	41,655	92,273	5,575	5,575	809	809	232	195
20 under 30 percent	28	29	519,398	556,577	122,175	122,175	34,642	34,642	12,954	12,954
30 under 40 percent	48	52	1,482,629	4,272,846	497,378	497,378	155,788	155,788	61,700	61,347
40 under 45 percent	25	26	226,612	412,445	30,834	30,834	13,079	13,079	9,862	3,592
45 under 50 percent	50	54	1,838,911	2,038,291	442,672	442,672	211,115	211,115	178,186	174,316
50 under 60 percent	65	69	2,708,660	6,095,849	412,911	412,911	236,233	236,233	90,084	78,015
60 under 80 percent	37	37	376,988	508,099	46,705	46,705	30,669	30,669	3,054	2,620
80 under 100 percent	9	9	285,824	348,618	12,707	12,707	10,983	10,983	16,728	131
100 percent or more	15	16	1,338,092	475,583	12,177	12,177	17,270	17,270	85	—
With no foreign income taxes	64	69	230,000	258,250	18,086	18,086	—	—	308	308
With foreign income taxes (-)	*8	*8	*97,419	*151,135	*524	*524	*-1,268	*-1,268	*1,093	*565
Foreign corporations with current earnings and profits deficit before taxes	132	153	936,200	889,146	-120,010	—	—	-16,221	3,207	225
Foreign corporations with no current earnings and profits (+) and (-) before taxes	38	41	25,622	7,094	—	—	—	—	408	—
Oceania, total										
All foreign corporations	681	1,976	21,874,465	23,104,538	1,737,143	1,997,387	706,528	726,449	414,652	353,892
Foreign corporations with current earnings and profits (+) before taxes:										
Total	481	1,102	18,463,762	19,365,988	1,997,387	1,997,387	706,528	706,528	407,866	353,637
With taxes (+) as a percent of current earnings and profits (+) before taxes:										
Total	390	835	16,287,004	17,848,459	1,897,444	1,897,444	708,283	708,283	391,421	339,355
Under 10 percent	47	58	2,048,185	669,467	115,368	115,368	3,248	3,248	31,520	27,781
10 under 20 percent	34	37	660,236	321,870	78,057	78,057	11,295	11,295	6,861	1,277
20 under 30 percent	59	68	530,763	615,795	65,961	65,961	18,043	18,043	9,145	6,093
30 under 40 percent	121	157	5,514,494	6,469,904	746,945	746,945	256,752	256,752	142,530	125,137
40 under 45 percent	132	175	3,150,330	3,135,845	348,317	348,317	149,374	149,374	70,636	66,761
45 under 50 percent	166	239	2,965,753	4,416,342	426,636	426,636	199,334	199,334	104,974	97,516
50 under 60 percent	50	60	994,247	1,752,401	87,879	87,879	47,354	47,354	20,176	11,871
60 under 80 percent	18	20	255,762	252,270	21,459	21,459	14,374	14,374	4,758	2,910
80 under 100 percent	8	9	33,565	37,585	3,855	3,855	3,376	3,376	239	10
100 percent or more	12	13	133,669	176,980	2,967	2,967	5,135	5,135	581	—
With no foreign income taxes	166	239	1,641,742	1,340,178	82,095	82,095	—	—	16,070	13,917
With foreign income taxes (-)	24	28	535,016	177,352	17,848	17,848	-1,756	-1,756	375	365
Foreign corporations with current earnings and profits deficit before taxes	241	362	3,325,734	3,722,710	-260,244	—	—	19,909	6,444	255
Foreign corporations with no current earnings and profits (+) and (-) before taxes	231	512	84,969	15,839	—	—	—	12	342	—

Footnotes at end of table.

Table 2.—Number of U.S. Corporation Returns and Number, Total Assets, Receipts, Earnings, Taxes, and Distributions of Controlled Foreign Corporations, by Selected Country of Incorporation and Taxes as a Percentage of Earnings and Profits of Controlled Foreign Corporation—Continued

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

Selected country of incorporation and taxes (+) as a percent of current earnings and profits (+) before taxes	Number of U.S. corporation returns	Controlled Foreign Corporations								Distributions	
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net)			
						Current earnings and profits before taxes	Foreign income taxes (net)		Total	Out of current earnings and profits	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Oceania (continued)											
Australia											
All foreign corporations	647	1,602	20,418,036	20,639,051	1,555,874	1,803,113	642,907	662,657	368,286	312,262	
Foreign corporations with current earnings and profits (+) before taxes:											
Total	454	918	17,293,587	17,209,693	1,803,113	1,803,113	642,907	642,907	361,586	312,008	
With taxes (+) as a percent of current earnings and profits (+) before taxes:											
Total	375	700	15,340,877	15,979,465	1,727,083	1,727,083	644,512	644,512	348,124	299,930	
Under 10 percent	43	53	2,017,453	628,233	110,718	110,718	3,163	3,163	31,243	27,503	
10 under 20 percent	31	33	649,206	308,461	76,663	76,663	11,021	11,021	6,385	801	
20 under 30 percent	53	59	473,790	520,548	58,992	58,992	16,121	16,121	8,852	5,800	
30 under 40 percent	110	130	5,222,024	5,827,334	665,335	665,335	230,508	230,508	115,767	99,181	
40 under 45 percent	117	144	2,889,314	2,558,979	301,791	301,791	129,363	129,363	63,133	59,577	
45 under 50 percent	144	201	2,839,210	4,222,370	407,359	407,359	190,279	190,279	101,268	93,845	
50 under 60 percent	41	49	905,111	1,543,319	83,653	83,653	45,055	45,055	16,136	10,516	
60 under 80 percent	12	14	185,628	169,256	15,961	15,961	10,712	10,712	4,556	2,708	
80 under 100 percent	7	7	29,219	31,136	3,731	3,731	3,262	3,262	229	—	
100 percent or more	10	11	129,921	169,829	2,881	2,881	5,027	5,027	555	—	
With no foreign income taxes	141	197	1,465,405	1,064,731	59,406	59,406	—	—	13,462	12,078	
With foreign income taxes (—)	19	22	487,305	165,497	16,624	16,624	-1,604	-1,604	—	—	
Foreign corporations with current earnings and profits deficit before taxes	207	291	3,044,195	3,422,108	-247,239	—	—	19,737	6,359	255	
Foreign corporations with no current earnings and profits (+) and (—) before taxes	209	393	80,254	7,250	—	—	—	12	342	—	
Puerto Rico and U.S. Possessions, total											
All foreign corporations	246	488	3,753,865	6,772,365	228,834	248,150	57,449	56,944	19,708	13,245	
Foreign corporations with current earnings and profits (+) before taxes:											
Total	159	285	3,353,704	6,610,362	248,150	248,150	57,449	57,449	19,614	13,245	
With taxes (+) as a percent of current earnings and profits (+) before taxes:											
Total	123	228	3,213,433	6,440,564	237,045	237,045	57,523	57,523	19,606	13,238	
Under 10 percent	10	11	74,497	35,293	8,881	8,881	500	500	—	—	
10 under 20 percent	20	20	1,887,151	5,128,774	119,265	119,265	17,494	17,494	949	949	
20 under 30 percent	47	75	500,137	591,709	37,871	37,871	10,029	10,029	5,664	1,572	
30 under 40 percent	36	72	254,006	240,577	22,198	22,198	7,746	7,746	8,464	6,886	
40 under 45 percent	29	35	419,512	395,383	41,187	41,187	17,860	17,860	4,030	4,031	
45 under 50 percent	4	6	16,166	19,072	3,230	3,230	1,481	1,481	499	—	
50 under 60 percent	**6	**5	**45,863	**8,527	**4,253	**4,253	**2,179	**2,179	—	—	
60 under 80 percent	—	—	—	—	—	—	—	—	—	—	
80 under 100 percent	—	—	—	—	—	—	—	—	—	—	
100 percent or more	3	4	16,101	21,229	160	160	234	234	—	—	
With no foreign income taxes	45	51	130,800	161,467	11,017	11,017	—	—	8	8	
With foreign income taxes (—)	3	6	9,471	8,332	88	88	-74	-74	—	—	
Foreign corporations with current earnings and profits deficit before taxes	78	104	367,117	160,529	-19,316	—	—	-505	94	—	
Foreign corporations with no current earnings and profits (+) and (—) before taxes	64	99	33,045	1,474	—	—	—	—	—	—	
OPEC Countries, total (included above)											
All foreign corporations	339	859	7,131,635	9,018,260	880,128	1,048,218	301,365	296,734	276,964	227,209	
Foreign corporations with current earnings and profits (+) before taxes:											
Total	218	467	5,844,383	7,581,361	1,048,218	1,048,218	301,365	301,365	271,252	227,209	
With taxes (+) as a percent of current earnings and profits (+) before taxes:											
Total	172	350	4,644,929	6,014,021	866,309	866,309	302,553	302,553	223,613	192,960	
Under 10 percent	31	35	819,431	775,616	93,881	93,881	3,113	3,113	28,980	26,997	
10 under 20 percent	36	55	391,669	435,845	62,448	62,448	8,928	8,928	10,851	10,053	
20 under 30 percent	65	95	678,260	900,352	101,481	101,481	25,726	25,726	24,278	18,845	
30 under 40 percent	63	86	1,115,550	1,652,387	271,195	271,195	94,461	94,461	74,709	63,929	
40 under 45 percent	29	34	1,015,008	1,576,591	197,607	197,607	83,511	83,511	50,525	40,404	
45 under 50 percent	19	22	202,426	206,287	55,512	55,512	25,776	25,776	18,403	18,004	
50 under 60 percent	8	8	307,765	355,319	54,428	54,428	27,680	27,680	15,750	14,611	
60 under 80 percent	6	6	38,159	23,523	1,283	1,283	893	893	118	118	
80 under 100 percent	3	3	4,978	8,962	569	569	506	506	—	—	
100 percent or more	6	6	71,684	79,140	27,906	27,906	31,958	31,958	—	—	
With no foreign income taxes	84	106	1,080,222	1,465,694	172,335	172,335	—	—	47,241	33,851	
With foreign income taxes (—)	9	11	119,232	101,646	9,574	9,574	-1,188	-1,188	397	397	
Foreign corporations with current earnings and profits deficit before taxes	126	168	1,173,238	1,436,900	-168,090	—	—	-4,630	5,712	—	
Foreign corporations with no current earnings and profits (+) and (—) before taxes	148	224	114,013	—	—	—	—	—	—	—	

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

** Data deleted to avoid disclosure of information to specific corporations.

(*) Less than \$500.

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

Crude Oil Windfall Profit Tax for 1983

By Michael Alexander*

The Congress designated the windfall profit tax to be temporary, with a 33-month gradual phaseout. This phaseout will begin in January 1988, if \$212 billion in net revenue (see Definitions) has been realized, but not later than January 1991. The total reported windfall profit tax liability for fiscal years 1980 through 1983 amounted to \$61 billion. Refunded overpayments, government royalty interests and estimated reductions in income tax resulting from the deductibility of windfall profit tax accounted for a negative \$28 billion.

The net revenue, or net budget effect as shown in the following table, for the first 4 fiscal years of the windfall profit tax is

estimated at \$33.3 billion. In the midsession review of the President's Fiscal Year 1985 Budget, another \$19.8 billion in net revenue was projected for fiscal years 1984 through 1989, bringing the total net revenue projected through fiscal year 1989 to \$53.1 billion. Since the net revenue receipts from the windfall profit tax will fall far short of the targeted \$212 billion, the tax will most likely begin its phaseout in January 1991. The target amount of \$212 billion was the result of using projected oil prices which, as it turned out, were well above the actual prices. Actual prices have been falling for the past several years.

Estimated Windfall Profit Tax Receipts for Fiscal Years 1980-1983

[Millions of dollars]

	Cumulative 1980-1983	Fiscal Years			
		1980	1981	1982	1983
	(1)	(2)	(3)	(4)	(5)
Total windfall profit tax liability as reported on Form 6047	\$61,020	\$6,934	\$23,425	\$18,458	\$12,203
Less refunds and credits for prior year overpayments:					
Form 1040	-944	0	-237	-445	-262
Form 1120	-1,452	0	-524	-290	-638
Form 843, 1040X, 1120X	-292	0	-173	-51	-68
Gross reported windfall profit tax liability less refunded overpayments	58,332	6,934	22,491	17,672	11,235
Less Federal royalty interests and the estimated reduction in individual and corporate income tax payments	-25,036	-2,613	-8,674	-8,219	-5,530
Net budget effect	33,296	4,321	13,817	9,453	5,705

Source: Crude Oil Windfall Profit Tax Annual Report to Congress on Net Receipts, Office of the Secretary of the Treasury, Office of Tax Analysis.

*Foreign Special Projects Section. Prepared under the direction of Charles Crossed, Acting Chief.

Windfall profit tax liability for the fourth quarter of 1983, after adjustments, was \$2.3 billion. This was the 11th consecutive quarter that windfall profit tax after adjustments has declined. The total windfall profit tax after adjustments reported since the enactment of the Crude Oil Windfall Profit Tax Act amounted to more than \$63 billion through December 1983. Of this total, \$10 billion was reported for 1980, \$26 billion for 1981, \$17 billion for 1982 and \$11 billion for 1983 (Figure A). The sharp increase in 1981 was largely due to the full decontrol of oil prices in January 1981 and the fact that the law had been in effect for only 10 months of 1980. The decrease in 1982 and 1983 can be attributed to lower removal prices and windfall profit, and to tax law changes.

The windfall profit tax reported for 1981, an increase of 162 percent from 1980, accounted for 41 percent of the total windfall profit tax liability during the 4-year period (Figure B). The full decontrol of oil prices in January

1981 caused the removal price (generally the price for which the oil is sold) to increase, which resulted in a quarterly tax liability after adjustments at a high of \$7.2 billion in the first quarter of 1981.

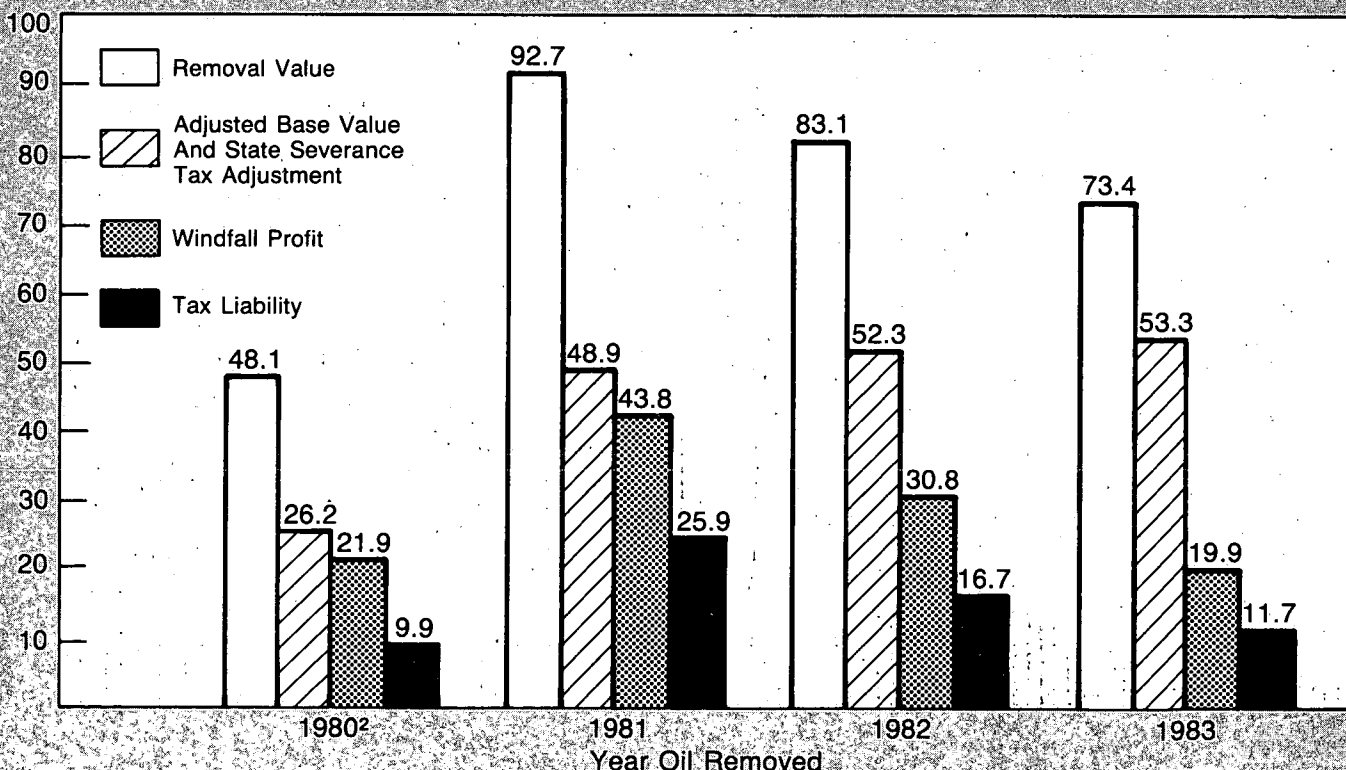
The continuing decline of windfall profit tax since the first quarter of 1981 could be attributed to a combination of decreased windfall profit as a result of declining removal prices and rising adjusted base prices, plus state severance taxes and tax law changes. Windfall profit, defined as the removal value less the sum of the adjusted base value and state severance tax adjustment, has declined by more than 61 percent from a high of \$11.9 billion in June 1981 to \$4.6 billion for the quarter ending December 1983 (Figure C).

Since June 1981, when the average removal price for domestic crude oil was at its height, the removal price has fallen by more than 21 percent from \$33.09 to \$26.04 per barrel for the current quarter (Figure D). The downward

Figure A

Components¹ of Windfall Profit Tax Liability After Adjustments: Aggregate Values by Year Oil Removed

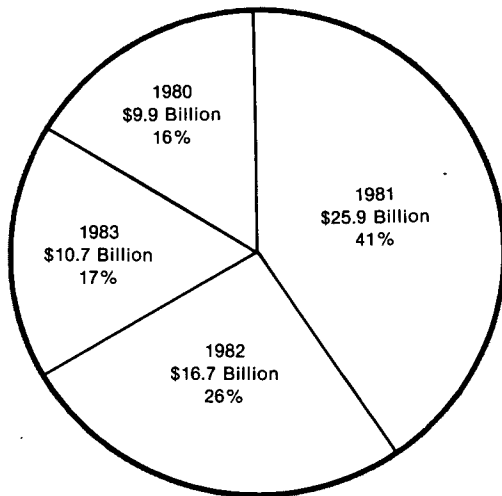
Billions of Dollars



¹ Some returns report windfall profit tax liability only; therefore, data for removal value, adjusted base value and state severance tax adjustment have been adjusted to reflect totals as if all returns reported this detail.

² Represents only 10 months.

Figure B
**Windfall Profit Tax Liability
 by Year March 1, 1980
 Through December 31, 1983**

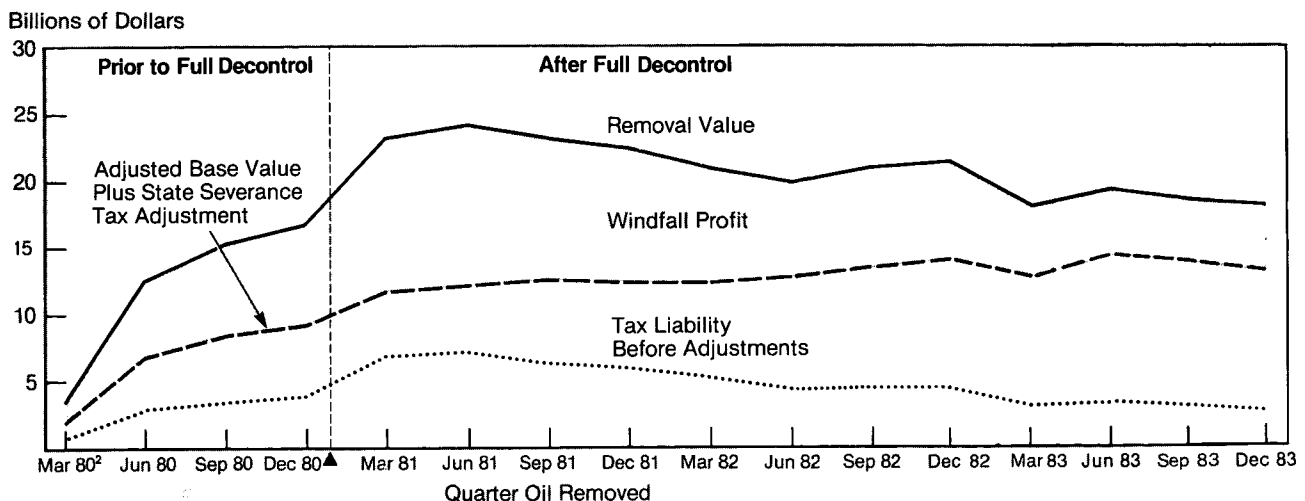


trend in the removal price began in early 1981 because of a decrease in U.S. demand for oil and gasoline, a result of a sluggish economy and increased conservation efforts. The declining prices continued through 1983, primarily because of an abundant supply of foreign crude oil relative to worldwide demand, which created a downward force on removal prices for U.S. domestic crude oil.

The sum of the adjusted base price and the state severance tax adjustment rose 19 percent from \$16.26 per barrel for the quarter ending December 1980 to \$19.33 for the current quarter. The adjusted base price increased chiefly as a result of an inflation adjustment derived from the Gross National Product (GNP) "implicit price deflator" [1].

Three major tax law changes resulting from the Economic Recovery Act of 1981 (ERTA) contributed to the decline in the windfall profit tax for oil removed after 1981. The tax rate for newly discovered oil was reduced from 30 percent in 1981 to 27.5 percent in 1982 and 25 percent in 1983. Another tax law change replaced the royalty owners tax credit with a more liberal exemption from the windfall profit tax for specified amounts of royalty production. Previously, a \$2,500 credit for windfall profit tax paid by royalty holders (\$1,000 for 1980) was allowed. The new law provided a two barrel

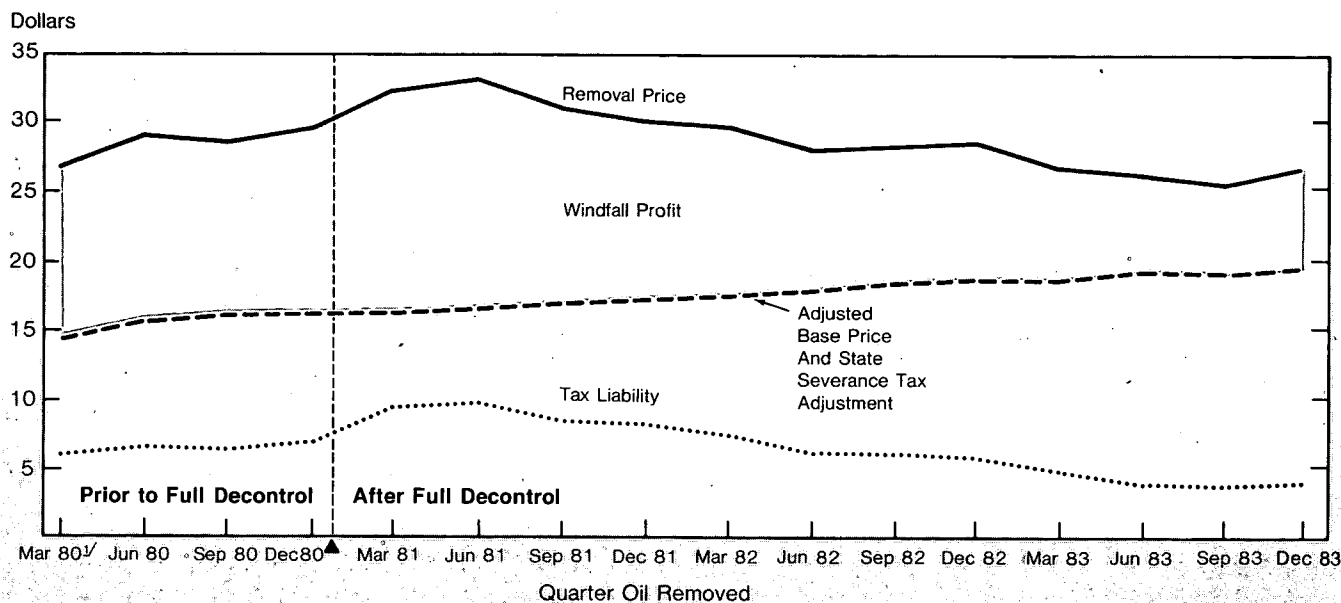
Figure C
**Components¹ of Windfall Profit Tax Liability Before Adjustments:
 Aggregate Values By Quarter Oil Removed**



¹Some returns report windfall profit tax liability only; therefore, data for removal value, adjusted base value and state severance tax adjustment have been adjusted to reflect totals as if all returns reported this detail.

²One month only.

Figure D
Components of Windfall Profit Tax Liability:
Averages per Barrel by Quarter Oil Removed



NOTE: Because of price controls during 1980, there were cases where the removal price was less than the adjusted base price and no Form 6047 was filed. The data in the figure are based on information reported.

1/One month only.

per day exemption for qualified royalty owners. Almost 34 million barrels of oil were "certified" as exempt royalty oil in 1982 and 48 million barrels in 1983. The actual amount of exempt royalty production may be substantially greater because some royalty owners pay the tax on exempt oil and subsequently claim an income tax refund for the overpayment. The amount of taxable oil was further reduced in 1983 by the establishment of exempt stripper oil for independent producers beginning in 1983. More than 116 million barrels of stripper oil were claimed for the exemption for 1983.

The following table is a summary, by quarter, of tax liability before and after adjustments since the tax went into effect in 1980. The adjustments were necessary because of errors by withholding agents during previous quarters or, more frequently, reflect the application of the net income limitation. The net income limita-

tion adjustment amounted to -\$316 million, and adjustments to previous quarters were approximately -\$149 million, for a total adjustment of -\$465 million for the quarter ending December 1983.

The net income limitation generates an adjustment because this provision limits the windfall profit to 90 percent of the net income per barrel of oil and can be estimated by certain taxpayers for the current quarter. The adjustments to the previous quarter include under- or over-withholding from previous quarters that the depositing or withholding agent (usually the first purchaser) corrects by adjusting the amounts withheld in succeeding quarters. Producers can claim as a refund or a credit on their income tax returns additional over-withholding of windfall profit tax, due to error or the net income limitation that has not been corrected by the withholding agent.

Windfall Profit Tax Before and After Adjustments
(Millions of Dollars)

Quarter Ending	Tax Before Adjustments	Total Adjustments	Tax After Adjustments
Total	\$67,696	-\$4,405	\$63,291
Mar. 1980 ¹ ...	788	-	788
June 1980	2,842	-21	2,821
Sept. 1980 ...	3,413	-88	3,325
Dec. 1980	3,918	-927	2,991
Mar. 1981	6,953	+242	7,195
June 1981	7,253	-107	7,146
Sept. 1981 ...	6,344	-251	6,093
Dec. 1981	6,007	-497	5,510
Mar. 1982	5,222	-221	5,001
June 1982	4,283	-295	3,988
Sept. 1982 ...	4,404	-445	3,959
Dec. 1982	4,440	-634	3,806
Mar. 1983	3,320	-193	3,127
June 1983	2,951	-203	2,748
Sept. 1983 ...	2,822	-300	2,522
Dec. 1983	2,736	-465	2,271

¹One month only.

Percent of Taxable Oil Production by Tier of Oil

Quarter Ending	Tier One	Tier Two	Tier Three
Mar. 1980	53%	24%	23%
June 1980	52	29	19
Sept. 1980	54	26	20
Dec. 1980	53	25	22
Mar. 1981	73	13	24
June 1981	70	14	16
Sept. 1981	69	14	17
Dec. 1981	69	13	18
Mar. 1982	68	13	19
June 1982	67	13	20
Sept. 1982	65	13	22
Dec. 1982	65	12	23
Mar. 1983	68	9	23
June 1983	63	8	29
Sept. 1983	66	9	25
Dec. 1983	66	8	26

Based on returns of taxpayers who provided complete detail on windfall profit tax computation [2], tier one oil continued to dominate production for the quarter ended December 1983. Tier one oil (all domestically produced crude oil other than oil specifically classified as tier two or tier three, or oil explicitly exempted from the tax) represented 66 percent of total production. Tier two oil, which represented 8 percent of total production, is

oil produced from stripper well property not qualifying for the stripper exemption and oil from economic interests in a Naval Petroleum Reserve held by the United States. Tier three oil, which is heavy oil, incremental tertiary oil and newly discovered oil (63 percent of tier three), accounted for 26 percent of total production. Tier three oil, which is generally taxed at a rate lower than tier one oil, has accounted for a steadily increasing percentage of total production.

DATA SOURCES AND LIMITATIONS

The windfall profit tax is reported on the Quarterly Federal Excise Tax Return, Form 720. Form 6047, Windfall Profit Tax, shows how the tax is computed and is filed as an attachment to Form 720. Tabulations in this article are based on the Form 6047. Returns are due two months after the end of the quarter in which the oil is removed. Data are based on all returns with a tax liability of \$1 million or more before adjustments and a 10-percent sample of all other returns.

Sampling and nonsampling errors were controlled by a variety of methods. Although efforts were made to secure missing returns, some returns may have been omitted because of time and resource constraints. Attempts were made to correct imbalances in taxpayer entries for the components of windfall profit; if this proved impossible, an out-of-balance return was treated as a return on which the components were not reported, and therefore only the liability for each tier was tabulated. However, to account for returns not reporting the tax computation detail, the components were adjusted using a factor derived from the relationship of the tax liability for those reporting all tax computation detail to the total reported windfall profit tax liability. A number of verification checks were performed at all stages of manual data abstraction and computer tabulation.

The Statistics of Income Bulletin also includes data on excise tax collections. The excise tax collection figures show the liability after adjustments, as reported on Form 720, from returns entered into the IRS computerized Business Master File (BMF) each quarter. A number of considerations affect comparisons of data from these two sources. Returns are not due until 2 months after the close of the taxable quarter; however, the interval between the close of the taxable period and the final recording of the return often varies, so that the quarterly BMF totals usually represent several taxable periods. On the other hand, the data presented here have been tabulated for specific taxable periods. As a result, the two sets of statistics are not directly comparable.

DEFINITIONS

Brief definitions of the terms used in the tables are given.

Adjusted Base Price.--The base price multiplied by the inflation adjustment, which is derived from the Gross National Product (GNP) "implicit price deflator."

Adjustments to Liability.--Corrections applied to the current quarter's liability to correct for the net income limitation and over- and under-withholding in previous quarters.

Base Price.--For tier one oil, the upper tier ceiling price, as defined by Department of Energy price control regulations, which would have applied to the oil had it been produced and sold in May 1979, reduced by 21 cents. For tiers two and three oil, the base prices were \$15.20 and \$16.55, respectively, adjusted for grade and quality.

Crude Oil.--The term applies only to natural crude petroleum and does not include synthetic petroleum, such as oil from shale or tar sands. It does, however, include natural gas liquids treated as crude oil under the June 1979 energy pricing regulations issued by the Department of Energy.

Deposit Requirements.--The timing of any first purchaser to deposit amounts withheld depends on the identity of the first purchaser. Major refiners, other than independent refiners, are required to make semimonthly deposits of the withholding tax. All other first purchasers are required to make withholding deposits no later than 45 days after the oil is removed from the premises, except independent refiners that purchase oil under delayed payments contracts. They are required to make deposits by the first day of the third month beginning after the month of removal.

Exempt Alaskan Oil.--Oil from a reservoir other than the Sadlerochit reservoir that has been commercially exploited by any well north of the Arctic Circle; and oil produced north of the divides of the Alaska and Aleutian Ranges, and at least 75 miles from the nearest point of the Trans-Alaskan Pipeline System.

Exempt Charitable Oil.--Oil produced from economic interests held by qualified charitable medical facilities, educational institutions, and child care organizations (as defined in Internal Revenue Code section 170), if such interest was held on January 21, 1980, and at all times thereafter; and oil produced from interests held by a church on January 21, 1980, if, before January 22, 1980, the net proceeds of such oil were dedicated to the support of a medical facility, educational institution, or child care facility.

Exempt Governmental Oil.--Oil produced from an economic interest held by a state or a political subdivision (including agencies and instrumentalities), the net income from which is used for public purposes.

Exempt Indian Oil.--Oil produced from mineral interests held by or on behalf of Indian tribes or individuals on January 21, 1980, which is one of the following: (a) production received by Indian tribes and individuals from Tribal Trust Lands (the title to such land is held by the United States in trust for the tribes); (b) production from land or mineral interests held by an Indian tribe eligible for services provided to Indians by the Secretary of the Interior; or (c) oil, the proceeds from which are paid into the U.S. Treasury to the credit of tribal or native trust funds pursuant to law. This exemption also applies to production of any Alaskan Native Corporation prior to 1991, including wholly-owned subsidiaries of the native Indian corporation as clarified by IRS on September 3, 1982.

Exempt Royalty Oil.--Qualified royalty owners are exempt from the windfall profit tax on two barrels of oil per day for each day of the calendar quarter for oil removed after December 31, 1981. For 1985 and thereafter, three barrels per day will be exempt.

Exempt Stripper Oil.--Oil removed from stripper wells after 1982 may qualify for exemption from the windfall profit tax if the following conditions are met:

- 1 The oil must be removed from a stripper well property after 1982.
- 2 The oil must be produced by an independent producer.
- 3 The oil must be attributable to the independent producer's working interest in the property.
- 4 The stripper well property must not be a property transferred by a nonindependent producer on or after July 23, 1981.

Net Income Limitation.--The windfall profit on a barrel of oil may not exceed 90 percent of the net income attributable to the barrel.

Net Revenue.--This equals the gross, or excise tax (excluding that amount attributable to U.S. government interests), less the reduction of income tax resulting from taxpayers claiming deductions for windfall profit tax paid. Figures presented in this report are gross liabilities.

Removal Price.--Generally, the price for which a barrel of oil is sold. In some instances, a constructive sale price is used.

Sadlerochit Oil.--Crude oil production from the Sadlerochit reservoir in the Prudhoe Bay oil field in Alaska.

State Severance Tax Adjustment.--A tax imposed by a state with respect to the extraction of oil. The windfall profit is reduced by the amount by which the severance tax exceeds that which would have been imposed had the oil been valued at its adjusted base price.

Stripper Oil.--In general, oil from a property for which the average daily production per well has been 10 barrels or less for any consecutive 12-month period after 1972.

Tier One Oil.--All domestically produced crude oil other than any oil classified in tier two or three, or explicitly exempted by law from the tax. This includes the bulk of domestic oil from reservoirs proven to be productive before 1979.

Tier Two Oil.--Any oil from a stripper well property within the meaning of the June 1979 Department of Energy pricing regulations and oil from a U.S. economic interest in a Naval Petroleum Reserve. Note that the Crude Oil Windfall Profit Tax Act of 1980 defined tier two oil as from a "National" Petroleum Reserve. This was amended to read "Naval" Petroleum Reserve by the Technical Corrections Act of 1982.

Tier Three Oil, Heavy Oil.--All crude oil (1) produced from property that had a weighted average gravity of 16.0 degrees or less on the American Petroleum Institute (API) scale, corrected to 60 degrees Fahrenheit, for the last month of production before July 1979, or (2) oil from a property with a weighted average gravity of 16.0 degrees API or less, corrected to 60 degrees Fahrenheit, for the taxable period.

Tier Three Oil, Incremental Tertiary Oil.--Production in excess of a base level on a property on which a qualified tertiary recovery project (one using one of several specific chemical, fluid or gaseous recovery methods to extract oil not recoverable using standard techniques) has been undertaken. The non-incremental oil (i.e., the amount of production

up to the base level) remains in the otherwise applicable tier.

Tier Three Oil, Newly Discovered Oil.--Crude oil sold after May 31, 1979, and produced from (1) an outer continental shelf area for which the lease was entered into on or after January 1, 1979, and from which there was no production in Calendar Year 1978 or (2) an on-shore property developed after Calendar Year 1978.

Windfall Profit.--The excess of the removal price of the barrel of oil over the sum of the adjusted base price and the State severance tax adjustment.

NOTES AND REFERENCES

- [1] The inflation adjustment, calculated by the Internal Revenue Service, Research Division, is published quarterly in the Internal Revenue Bulletin. (See for example Internal Revenue Bulletin 1984-11, dated March 12, 1984.)
- [2] At the inception of the windfall profit tax (March 1980), taxpayers were not required to complete the detail of the Form 6047, which shows how the tax is computed. However, taxpayers have been required to provide full information as of January 1981.
- [3] Joint Committee on Taxation (Staff), General Explanation of the Crude Oil Windfall Profit Tax Act of 1980, U.S. Government Printing Office, 1981.
- [4] See also Belal, Carol, and Clark, Phil, "Windfall Profit Tax Liability for 1980," Statistics of Income Bulletin, Fall 1981, pp. 50-54.
- [5] See also Coleman, Michael, "Crude Oil Windfall Profit Tax for 1981," Statistics of Income Bulletin, Fall 1982, pp. 41-46.
- [6] See also Alexander, Michael, "Crude Oil Windfall Profit Tax for 1982," Statistics of Income Bulletin, Fall 1983, pp. 35-40.

Crude Oil Windfall Profit Tax, 1983

Table 1.--Windfall Profit Tax Liability by Oil Tier and Tax Rate for Quarter Ending December 1983 Aggregate Components of Windfall Profit

[Money amounts are in millions of dollars]

Oil tier and tax rate	Number of barrels of oil (000's)	Removal value	Adjusted base value	State severance tax adjustment	Windfall profit	Tax liability before adjustments
	(1)	(2)	(3)	(4)	(5)	(6)
Returns with tax liability shown by oil tier and tax rate, total	627,917	16,354	11,943	198	4,213	2,508
Tier one, other than Sadlerochit oil:						
Taxed at 70 percent	267,092	7,520	4,522	113	2,885	1,964
Taxed at 50 percent	22,505	652	385	16	251	124
Tier one, Sadlerochit oil:						
Taxed at 70 percent	119,642	2,096	2,013	13	70	49
Taxed at 50 percent	-	-	-	-	-	-
Tier two oil:						
Taxed at 60 percent	49,361	1,394	993	17	384	208
Taxed at 30 percent	3,979	115	78	2	35	11
Tier three oil (taxed at 30 percent):						
Newly discovered oil ¹	103,939	3,059	2,598	29	432	104
Incremental tertiary oil	30,878	884	747	7	130	39
Heavy oil	30,520	634	606	(²)	28	9
Returns with total tax liability only	-	-	-	-	-	228 ³

¹ Newly discovered oil is taxed at 25.0 percent beginning in 1983.² Less than \$500,000.³ Also includes \$6 million for returns that reported by tier and type, but did not report data for columns 1-5.

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

Table 2.--Windfall Profit Tax Liability for Returns Reporting Components of Windfall Profit by Oil Tier and Tax Rate for the Quarter Ending December 1983 Average Daily Production and Average Dollars per Barrel

Oil tier and tax rate	Daily production (000's) (barrels)	Removal price	Adjusted base price	State severance tax adjustment	Windfall profit	Tax liability before adjustments
	(1)	(2)	(3)	(4)	(5)	(6)
All returns, total	6,825	26.04	19.02	.31	6.71	3.99
Tier one, other than Sadlerochit oil:						
Taxed at 70 percent	2,903	28.15	16.93	.42	10.80	7.35
Taxed at 50 percent	245	28.96	17.10	.69	11.17	5.52
Tier one, Sadlerochit oil:						
Taxed at 70 percent	1,300	17.51	16.82	.11	.58	.41
Taxed at 50 percent	-	-	-	-	-	-
Tier two oil:						
Taxed at 60 percent	537	28.23	20.11	.35	7.77	4.20
Taxed at 30 percent	43	28.89	19.61	.43	8.85	2.81
Tier three oil (taxed at 30 percent):						
Newly discovered oil ¹	1,130	29.43	24.99	.27	4.17	.99
Incremental tertiary oil	336	28.63	24.19	.23	4.21	1.26
Heavy oil	332	20.76	19.86	.01	.89	.27

¹ Newly discovered oil is taxed at 25.0 percent beginning in 1983.

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

Table 3.--Windfall Profit Tax Liability by Oil Tier and Tax Rate for January - December 1983 Aggregate Components of Windfall Profit

[Money amounts are in millions of dollars]

Oil tier and tax rate	Number of barrels of oil (000's)	Removal value	Adjusted base value	State severance tax adjustment	Windfall profit	Tax liability before adjustments
	(1)	(2)	(3)	(4)	(5)	(6)
Returns with tax liability shown by oil tier and tax rate, total	2,279,406	59,912	42,713	918	16,281	9,682
Tier one, other than Sadlerochit oil:						
Taxed at 70 percent	1,017,982	28,497	17,083	569	10,845	7,477
Taxed at 50 percent	90,476	2,659	1,531	69	1,059	529
Tier one, Sadlerochit oil:						
Taxed at 70 percent	386,914	6,745	6,430	52	263	185
Taxed at 50 percent	-	-	-	-	-	-
Tier two oil:						
Taxed at 60 percent	183,044	5,219	3,653	67	1,499	822
Taxed at 30 percent	12,978	382	264	6	112	35
Tier three oil (taxed at 30 percent):						
Newly discovered oil ¹	383,369	11,402	9,374	129	1,899	457
Incremental tertiary oil	90,124	2,632	2,154	25	453	133
Heavy oil	114,521	2,376	2,225	1	150	45
Returns with total tax liability only	-	-	-	-	-	247 ²

¹ Newly discovered oil is taxed at 25.0 percent beginning in 1983.² Also includes \$48 million for returns that reported by tier and type, but did not report data for columns 1-5. NOTE: Detail may not add to total because of rounding.

Table 4.--Windfall Profit Tax Liability for Returns Reporting Components of Windfall Profit by Oil Tier and Tax Rate for January - December 1983 Average Daily Production and Average Dollars per Barrel

Oil tier and tax rate	Daily production (000's) (barrels)	Removal price	Adjusted base price	State severance tax adjustment	Windfall profit	Tax liability before adjustments
	(1)	(2)	(3)	(4)	(5)	(6)
All returns, total	6,245	26.28	18.74	.40	7.14	4.25
Tier one, other than Sadlerochit oil:						
Taxed at 70 percent	2,789	27.99	16.78	.56	10.65	7.34
Taxed at 50 percent	248	29.39	16.92	.76	11.70	5.85
Tier one, Sadlerochit oil:						
Taxed at 70 percent	1,060	17.43	16.62	.13	.68	.48
Taxed at 50 percent	-	-	-	-	-	-
Tier two oil:						
Taxed at 60 percent	501	28.51	19.96	.37	8.19	4.49
Taxed at 30 percent	36	29.43	20.34	.46	8.63	2.70
Tier three oil (taxed at 30 percent):						
Newly discovered oil ¹	1,050	29.74	24.45	.34	4.95	1.19
Incremental tertiary oil	247	29.20	23.90	.28	5.03	1.48
Heavy oil	314	20.75	19.43	.01	1.31	.39

¹ Newly discovered oil is taxed at 25.0 percent beginning in 1983. NOTE: Detail may not add to total because of rounding.

Table 5.--Exempt Oil Volume by Tier and Category, Quarter Ending December 1983

[Thousands of barrels]

	Total	Tier one	Tier two	Tier three		
				Newly discovered oil	Incremental tertiary oil	Heavy oil
	(1)	(2)	(3)	(4)	(5)	(6)
Total	78,024	19,275	41,075	16,294	802	578
Exempt governmental interest	17,549	13,449	789	2,535	379	398
Exempt charitable interest	952	448	282	109	101	12
Exempt Indian oil	1,666	412	1,059	170	17	9
Exempt Alaskan oil	7,639	48	-	7,590	-	-
Exempt Royalty oil	14,661	4,918	3,388	5,890	306	160
Exempt Stripper oil	35,557	-	35,557	-	-	-

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

Table 6.--Exempt Oil Volume by Tier and Category, January - December 1983

[Thousands of barrels]

	Total	Tier one	Tier two	Tier three		
				Newly discovered oil	Incremental tertiary oil	Heavy oil
	(1)	(2)	(3)	(4)	(5)	(6)
Total	265,753	67,303	138,212	55,271	2,476	2,490
Exempt governmental interest	64,474	49,353	2,598	9,405	1,255	1,863
Exempt charitable interest	3,254	1,596	976	484	159	36
Exempt Indian oil	4,094	1,513	1,859	651	46	26
Exempt Alaskan oil	29,549	142	583	28,823	-	-
Exempt Royalty oil	48,315	14,699	16,129	15,906	1,014	568
Exempt Stripper oil	116,067	-	116,067	-	-	-

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

Selected Statistical Series, 1970-1984

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NOTICE

The data on the following pages are the latest and most accurate available at time of publication. However, they are subject to continuous revision as more return information becomes available. Data labeled as preliminary should be used with caution.

Table 1. — Individual Income Tax Returns: Selected Income and Tax Items for Selected Years, 1970-1982
 [All figures are estimates based on samples — money amounts are in thousands of dollars]

Item	1970	1975	1979	1980	1981	1982
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns:						
All returns	74,279,831	82,229,332	92,694,302	93,902,469	95,396,123	95,337,432
Joint returns	42,376,365	44,140,085	44,855,141	45,243,211	45,697,648	46,050,287
Total gross income, amount	639,357,791	962,886,872	1,490,173,014	1,642,345,558	1,804,046,591	1,917,022,530
Salaries and wages:						
Number of returns	66,965,659	73,520,046	83,200,646	83,802,109	84,208,807	83,106,842
Amount	531,883,892	795,399,462	1,229,251,389	1,349,842,802	1,486,100,497	1,564,995,190
Interest received:						
Number of returns	32,630,355	40,378,240	47,885,069	49,019,575	49,656,550 ¹	52,841,721
Amount	22,021,267	43,433,554	73,875,462	102,009,444	140,559,366 ¹	157,021,475
Taxable pensions and annuities:						
Number of returns	3,249,558	5,088,937	6,866,851	7,373,704	8,157,475	8,824,885
Amount	7,878,808	20,886,871	37,346,510	43,339,736	51,886,406	60,123,166
Dividends:						
No. of returns before exclusion ..	12,452,227	13,370,427	13,969,453	14,640,139	16,482,018	17,186,673
Amount	17,018,148	23,270,182	37,479,767	43,567,241	48,161,460	54,044,825
No. of returns after exclusion ...	7,729,939	8,853,491	9,881,105	10,738,982	n.a.	13,172,360
Amount	15,806,924	21,892,126	33,482,508	36,761,253	n.a.	52,142,410
Net capital gain less loss:						
Number of returns	7,962,663	7,574,823	8,641,573	8,929,474	9,484,987	9,636,414
Amount	9,006,683	14,071,893	28,448,300	29,659,600	30,818,535	34,403,728
Business net income (less loss):						
Number of returns	6,159,985	7,242,542	8,562,834	8,881,119	9,571,409	10,092,322
Amount	30,554,201	39,421,478	56,564,467	55,129,154	53,071,628	50,573,164
Total adjustments:						
Number of returns	6,370,552	9,024,255	11,543,369	13,148,919	14,078,211	33,421,412
Amount	7,665,251	15,101,999	24,778,484	28,614,061	31,442,288	64,887,065
Married couple who both work:						
Number of returns	N/A	N/A	N/A	N/A	N/A	21,690,558
Amount	N/A	N/A	N/A	N/A	N/A	9,048,263
Individual Retirement Arrangement:						
Number of returns	N/A	1,211,794	2,451,955	2,564,421	3,415,053	12,010,038
Amount	N/A	1,436,443	3,198,788	3,430,894	4,750,190	28,273,852
Self-Employed Retirement (Keogh):						
Number of returns	591,655	595,892	590,189	568,936	557,038	559,011
Amount	847,692	1,603,788	2,029,300	2,007,666	2,011,947	2,482,594
Adjusted gross income	631,692,540	947,784,873	1,465,394,530	1,613,731,497	1,772,604,303	1,852,135,465
Exemptions:						
Total number	204,126,402	212,202,596	224,691,732	227,925,098	231,222,374	232,191,565
Number, age 65 or over	8,904,331	9,937,208	11,322,713	11,847,168	13,118,926	13,955,570
Total amount	127,531,204	159,140,845	223,891,529	227,569,280	231,119,115	232,142,140
Total deductions:						
Number of returns	73,862,448	81,585,541	87,202,857	88,491,251	90,319,941	90,283,236
Amount	120,549,755	233,181,778	332,957,555	346,000,155	401,168,213	425,157,106 ²
Total itemized deductions:						
Number of returns	35,430,047	26,074,061	26,483,877	28,950,282	31,571,246	33,432,809
Amount	88,178,487	122,260,601	184,168,669	218,028,139	256,448,021	284,506,318
Medical and dental expense	10,585,749	11,422,312	12,915,626	14,972,082	17,878,680	21,705,262
Taxes paid	32,014,673	44,141,289	60,674,905	69,404,275	79,698,519	88,037,196
Interest paid	23,929,477	38,885,282	74,427,045	91,187,006	108,718,281	121,852,419
Contributions	12,892,732	15,393,331	22,210,838	25,809,608	30,800,722	33,471,694
Taxable income:						
Number of returns	59,593,598	65,852,602	86,932,978	88,104,696	89,851,304	89,717,836
Amount	401,154,285	595,492,866	1,157,247,646	1,279,985,360	1,410,880,665	1,473,348,899
Income tax before credits:						
Number of returns	59,596,755	65,854,734	74,243,824	76,135,819	79,011,548	78,349,842
Amount	84,156,695 ³	132,452,044	220,099,516	256,294,315	293,590,035	283,931,862
Total tax credits	369,610	8,069,846	6,780,186	7,215,839	11,288,005	7,854,493
General tax credit	N/A	5,020,477	N/A	N/A	3,382,711 ⁴	N/A
Investment credit	30,554	1,593,150	3,313,836	3,288,415	3,971,199	4,139,897
Foreign tax credit	169,623	381,985	850,212	1,341,645	1,233,564	757,326
Child care credit	N/A	N/A	793,143	956,439	1,147,907	1,501,453
Credit for the elderly	167,656	128,968	131,734	134,993	124,011	131,074
Residential energy credit	N/A	N/A	473,603	562,141	600,831	582,857
Earned income credit	N/A	252,141	495,500	451,366	452,482	359,717
Income tax after credits	83,787,323	124,382,197	213,319,330	249,078,475	282,302,029	276,077,369
Additional tax for tax preferences ...	121,988	144,100	1,175,188	1,262,964	1,826,960	1,519,932
Total income tax:						
Number of returns	59,317,371	61,490,737	71,694,983	73,906,244	76,724,724	77,035,300
Amount	83,909,311	124,526,297	214,494,519	250,341,440	284,128,989	277,597,301
Payment status:						
Returns with payment due	16,478,813	15,842,400	18,844,060	21,755,516	23,007,970	20,326,807
Returns with refund due	55,273,385	63,825,188	71,433,691	69,868,451	70,028,741	72,425,701

See notes following Table 13.

Table 2. — Individual Income and Tax Data by State and Region, 1980 and 1982
[All figures are estimates based on samples]

State	1980				1982 ¹			
	Number of returns ²	Adjusted gross income (\$000)	Income Tax		Number of returns ²	Adjusted gross income (\$000)	Income Tax	
			Total (\$000)	Average ³ (\$)			Total (\$000)	Average ³ (\$)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
United States, total ⁴	93,902,469	1,613,731,497	250,341,440	3,387	95,337,432	1,852,135,405	277,597,290	3,604
Alabama	1,397,132	21,478,922	2,993,120	2,923	1,389,520	23,814,637	3,215,379	2,927
Alaska	183,214	4,096,935	770,495	5,258	225,374	5,724,633	1,061,385	5,608
Arizona	1,113,274	18,297,827	2,597,397	3,031	1,166,958	21,472,442	2,944,043	3,179
Arkansas	812,491	11,272,836	1,515,512	2,598	818,008	12,801,328	1,715,450	2,687
California	10,347,246	189,584,745	28,731,981	3,478	10,627,477	219,427,063	31,873,895	3,729
Colorado	1,296,849	22,812,045	3,544,984	3,397	1,356,269	27,897,040	4,263,095	3,844
Connecticut	1,438,316	27,956,852	5,002,379	4,251	1,466,577	32,813,502	5,565,180	4,541
Delaware	253,759	4,627,551	745,043	3,682	259,346	5,256,507	787,992	3,723
District of Columbia ..	307,630	5,583,948	967,251	3,922	310,429	6,278,122	1,037,106	4,091
Florida	4,158,577	67,126,444	10,852,200	3,358	4,499,380	83,039,759	12,907,680	3,565
Georgia	2,130,647	33,037,292	4,657,125	2,888	2,190,895	39,234,368	5,433,835	3,100
Hawaii	424,177	7,320,740	1,043,741	3,149	443,969	8,266,617	1,111,898	3,105
Idaho	358,915	5,461,728	706,404	2,616	358,685	5,860,737	756,046	2,690
Illinois	4,833,700	90,054,783	15,221,014	3,906	4,744,853	97,684,733	15,576,481	4,039
Indiana	2,202,492	37,209,694	5,862,416	3,405	2,164,265	39,984,323	5,913,728	3,414
Iowa	1,189,316	19,847,193	2,921,284	3,165	1,161,328	20,625,407	3,029,452	3,238
Kansas	995,792	16,982,757	2,652,576	3,429	994,045	19,102,380	2,971,115	3,658
Kentucky	1,305,719	19,889,309	2,860,438	2,838	1,307,561	22,651,744	3,196,125	3,083
Louisiana	1,575,442	26,504,653	4,354,431	3,561	1,629,459	31,998,251	5,106,220	3,932
Maine	460,932	6,361,432	839,885	2,415	463,873	7,396,239	962,295	2,616
Maryland	1,875,660	34,499,721	5,387,424	3,588	1,897,632	40,662,278	6,087,444	3,877
Massachusetts	2,538,270	43,123,948	6,715,511	3,306	2,576,063	51,224,300	7,850,047	3,686
Michigan	3,665,336	66,797,050	10,418,234	3,627	3,526,172	70,588,591	10,271,107	3,634
Minnesota	1,738,205	29,683,060	4,372,841	3,257	1,713,421	32,893,015	4,557,952	3,274
Mississippi	860,654	11,988,888	1,608,497	2,632	861,622	13,530,929	1,825,235	2,786
Missouri	1,976,184	32,188,452	4,909,363	3,196	1,973,453	36,542,234	5,477,439	3,440
Montana	331,423	4,998,061	697,044	2,841	335,223	5,424,566	773,100	2,984
Nebraska	661,985	10,473,626	1,500,101	3,007	660,387	11,348,687	1,664,935	3,121
Nevada	393,931	6,786,431	1,103,441	3,378	405,003	7,801,889	1,206,118	3,665
New Hampshire	412,482	6,751,857	1,019,017	2,955	423,600	7,976,557	1,187,607	3,419
New Jersey	3,354,753	62,909,704	10,389,950	3,760	3,493,939	75,061,268	11,993,693	4,098
New Mexico	518,221	7,764,293	1,092,667	2,930	543,829	9,285,126	1,313,746	3,151
New York	7,157,005	129,526,287	20,139,212	3,496	7,208,004	151,962,785	23,048,397	3,852
North Carolina	2,339,466	34,490,419	4,720,993	2,651	2,372,880	40,013,158	5,287,682	2,780
North Dakota	270,773	3,979,672	561,835	2,758	278,858	4,663,816	702,527	3,118
Ohio	4,481,348	76,444,637	12,047,279	3,316	4,343,283	82,803,052	12,209,794	3,473
Oklahoma	1,186,369	19,966,388	3,142,204	3,387	1,279,435	25,431,657	4,045,313	3,905
Oregon	1,128,676	18,534,535	2,660,962	3,022	1,081,659	19,202,352	2,559,900	3,003
Pennsylvania	4,844,637	81,173,150	12,647,123	3,264	4,856,168	91,125,274	13,585,728	3,446
Rhode Island	406,989	6,396,560	959,951	2,960	407,445	7,263,985	1,015,459	3,069
South Carolina	1,183,782	17,339,729	2,263,462	2,479	1,199,188	19,956,082	2,548,665	2,690
South Dakota	277,999	3,732,619	507,494	2,778	276,780	3,845,546	552,435	2,583 ⁵
Tennessee	1,761,757	26,596,829	3,892,150	2,976	1,774,802	30,170,139	4,311,319	3,073
Texas	5,844,966	103,953,686	17,914,779	3,896	6,265,743	129,674,346	21,969,829	4,345
Utah	539,149	8,749,569	1,109,253	2,734	554,682	10,357,851	1,282,952	2,927
Vermont	210,066	3,041,963	410,576	2,469	213,930	3,406,291	462,681	2,689
Virginia	2,227,154	38,794,066	5,941,511	3,351	2,269,504	45,864,819	6,711,498	3,589
Washington	1,789,302	32,732,130	5,410,251	3,697	1,777,471	35,811,926	5,486,773	3,804
West Virginia	674,367	10,895,660	1,667,520	3,186	663,858	12,169,074	1,775,950	3,331
Wisconsin	1,968,908	32,756,618	4,644,436	3,042	1,936,117	35,561,896	4,874,712	3,139
Wyoming	210,414	3,949,099	678,650	4,071	213,270	4,369,704	723,725	4,192
IRS Region								
Central	12,329,262	211,236,350	32,855,887	3,367	12,005,139	228,196,784	33,366,704	3,460
Mid-Atlantic	12,863,593	227,588,140	36,078,302	3,482	13,463,478	269,060,648	41,008,589	3,732
Midwest	12,917,070	222,716,023	34,638,368	3,426	12,745,197	243,165,334	36,435,933	3,536
North Atlantic	12,624,060	223,158,899	35,086,531	3,456	12,759,492	262,043,659	40,091,666	3,797
Southeast	13,832,015	212,058,523	30,987,547	2,956	14,287,567	249,759,072	35,529,795	3,122
Southwest	12,440,544	213,205,757	34,895,803	3,602	13,100,058	260,559,832	42,108,493	3,995
Western	16,609,307	296,562,701	44,830,969	3,400	16,976,501	339,350,076	49,056,110	3,601

See notes following Table 13.

Table 3. — Number of Individual Returns, Income, Tax and Average Tax by Size of Adjusted Gross Income, Tax Years 1979-1982
 [All figures are estimates based on samples — money amounts are in thousands of dollars]

Size of adjusted gross income	Number of returns filed		Total adjusted gross income		Taxable income	
	1979	1980	1979	1980	1979	1980
	(1)	(2)	(3)	(4)	(5)	(6)
Total	92,694,302	93,902,469	1,465,394,530	1,613,731,497	1,157,247,646	1,279,985,360
Less than \$1000	3,788,992	3,687,997	-7,517,144	-11,063,711	11,183	11,799
\$1,000 under \$3,000	9,023,068	8,673,301	17,931,942	17,314,975	7,686,884	7,569,858
\$3,000 under \$5,000	8,051,507	7,694,231	32,078,295	30,654,346	19,061,575	18,534,160
\$5,000 under \$7,000	8,390,494	7,633,889	50,451,302	45,738,822	34,235,887	30,497,371
\$7,000 under \$9,000	7,746,054	7,336,650	61,777,911	58,608,700	44,720,542	42,267,675
\$9,000 under \$11,000	6,732,073	6,605,618	67,110,738	65,907,303	51,164,615	49,980,765
\$11,000 under \$13,000	5,934,255	5,830,212	71,110,174	69,911,911	55,230,224	54,591,487
\$13,000 under \$15,000	5,295,237	5,267,669	74,071,705	73,590,238	58,475,957	58,114,413
\$15,000 under \$17,000	4,768,357	4,654,783	76,229,537	74,387,702	60,650,268	59,701,351
\$17,000 under \$19,000	4,486,955	4,350,522	80,768,766	78,267,330	64,462,617	63,009,244
\$19,000 under \$22,000	6,120,386	5,925,162	125,269,674	121,233,104	100,437,035	97,261,921
\$22,000 under \$25,000	5,030,867	5,325,787	117,930,754	125,021,261	95,129,727	100,538,990
\$25,000 under \$30,000	6,309,121	6,783,466	172,374,956	185,760,754	139,428,200	150,218,626
\$30,000 under \$35,000	4,069,181	4,729,899	131,310,195	152,927,369	106,353,381	124,032,123
\$35,000 under \$40,000	2,377,022	3,221,053	88,616,644	120,167,693	72,024,022	97,276,738
\$40,000 under \$50,000	2,229,252	3,053,039	98,307,745	134,907,796	79,955,613	109,091,818
\$50,000 under \$75,000	1,466,498	2,033,079	86,844,336	120,009,700	70,514,158	96,834,054
\$75,000 under \$100,000	423,380	535,348	36,318,472	45,918,079	29,474,761	36,849,386
\$100,000 under \$150,000	275,371	336,269	32,942,244	40,213,979	26,834,478	32,528,035
\$150,000 under \$200,000	82,501	107,245	14,108,589	18,377,241	11,563,895	14,823,138
\$200,000 under \$300,000	54,599	68,422	13,085,114	16,387,236	10,638,067	13,211,348
\$300,000 under \$500,000	25,627	31,947	9,585,275	11,956,450	7,704,281	9,505,239
\$500,000 under \$1,000,000	9,904	12,467	6,571,180	8,323,125	5,177,337	6,516,941
\$1,000,000 or more	3,601	4,414	8,116,126	9,210,095	6,312,939	7,018,879

Size of adjusted gross income	Total income tax ¹		Percent of filers with no income tax liability		Filers with income tax liability			
					Average tax (whole dollars)		Tax as percent of adj. gross inc.	
	1979	1980	1979	1980	1979	1980	1979	1980
	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Total	214,494,519	250,341,440	22.7	21.3	2,992	3,387	15.3	16.1
Less than \$1,000	76,734	103,645	99.7	99.7	7,745 ²	10,091 ²	-	-
\$1,000 under \$3,000	22,840	32,471	97.5	96.9	103	122	5.0	6.1
\$3,000 under \$5,000	502,851	530,988	44.3	42.5	112	120	2.7	2.9
\$5,000 under \$7,000	2,115,791	1,864,897	31.2	32.1	366	360	6.1	6.0
\$7,000 under \$9,000	3,682,395	3,494,441	18.0	17.8	580	579	7.2	7.2
\$9,000 under \$11,000	5,386,370	5,296,395	5.0	5.0	842	844	8.4	8.5
\$11,000 under \$13,000	6,566,830	6,586,710	2.5	2.5	1,135	1,159	9.5	9.7
\$13,000 under \$15,000	7,556,089	7,633,561	1.7	2.1	1,452	1,480	10.4	10.7
\$15,000 under \$17,000 M	8,356,173	8,417,235	1.4	1.5	1,777	1,835	11.1	11.5
\$17,000 under \$19,000	9,311,627	9,351,972	1.2	1.1	2,100	2,173	11.7	12.1
\$19,000 under \$22,000	15,323,619	15,189,223	.8	1.0	2,524	2,589	12.3	12.9
\$22,000 under \$25,000	15,404,532	16,620,372	.5	.6	3,079	3,138	13.1	13.7
\$25,000 under \$30,000	24,377,331	26,635,973	.5	.4	3,884	3,941	14.2	14.4
\$30,000 under \$35,000	20,429,956	23,969,187	.4	.5	5,043	5,091	15.6	15.7
\$35,000 under \$40,000	15,056,264	20,419,148	.3	.5	6,532	6,373	17.0	17.1
\$40,000 under \$50,000	18,593,072	25,565,426	.2	.4	8,359	8,404	19.0	19.9
\$50,000 under \$75,000	19,753,175	27,208,647	.5	.6	13,536	13,463	22.9	22.8
\$75,000 under \$100,000	10,057,784	12,549,071	.3	.4	23,833	23,531	27.8	26.4
\$100,000 under \$150,000	10,548,353	12,868,433	.2	.3	38,392	38,368	32.1	32.1
\$150,000 under \$200,000	5,107,321	6,537,749	.1	.3	61,939	61,169	36.2	35.7
\$200,000 under \$300,000	5,141,069	6,370,648	.1	.1	94,238	93,234	39.3	38.9
\$300,000 under \$500,000	4,077,942	4,971,806	.1	.1	159,226	155,797	42.6	41.6
\$500,000 under \$1,000,000	2,972,594	3,713,691	.1	.1	300,353	298,169	45.3	44.7
\$1,000,000 or more	4,073,808	4,409,751	.1	.1	1,131,928	999,944	50.2	47.9

M - The median taxpayer was at this income level for both 1979 and 1980.
 See notes following Table 13.

Table 3. (Continued) — Number of Individual Returns, Income, Tax and Average Tax by Size of Adjusted Gross Income, Tax Years 1979-1982**[All figures are estimates based on samples — money amounts are in thousands of dollars]**

Size of adjusted gross income	Number of returns filed		Total adjusted gross income		Taxable income	
	1981	1982	1981	1982	1981	1982
	(1)	(2)	(3)	(4)	(5)	(6)
Total	95,396,123	95,337,432	1,772,604,303	1,852,135,465	1,410,880,665	1,473,348,899
Less than \$1000	3,484,734	3,412,105	-16,952,842	-22,324,833	7,084	29,646
\$1,000 under \$3,000	7,855,771	7,573,825	15,691,845	15,122,101	7,064,102	6,717,217
\$3,000 under \$5,000	7,405,871	6,966,104	29,580,649	27,925,256	17,994,684	17,168,389
\$5,000 under \$7,000	7,251,941	6,682,490	43,446,800	39,885,078	29,153,117	26,709,472
\$7,000 under \$9,000	7,066,520	7,176,962	56,341,030	57,512,193	40,597,471	40,904,714
\$9,000 under \$11,000	6,514,144	6,421,665	65,051,373	64,229,520	49,147,621	47,995,843
\$11,000 under \$13,000	5,821,233	5,651,414	69,702,815	67,793,416	54,207,411	52,526,932
\$13,000 under \$15,000	5,190,200	5,414,103	72,548,282	75,702,223	57,705,230	59,652,891
\$15,000 under \$17,000	4,648,986	4,734,479	74,256,678	75,594,637	59,486,499	60,951,455
\$17,000 under \$19,000	4,291,557	3,964,008	77,161,287	71,295,728	62,056,343	57,689,594
\$19,000 under \$22,000	5,967,094	5,365,925	122,157,450	109,806,080	98,703,455	88,855,846
\$22,000 under \$25,000	5,207,693	5,273,703	122,181,884	123,853,268	98,956,187	100,054,304
\$25,000 under \$30,000	7,205,282	7,621,965	197,424,953	209,572,367	159,682,521	169,726,189
\$30,000 under \$35,000	5,294,687	5,646,966	171,601,299	182,644,120	138,893,019	146,947,632
\$35,000 under \$40,000	3,910,649	4,215,650	145,814,841	157,391,914	118,288,891	126,471,828
\$40,000 under \$50,000	4,182,389	4,716,532	185,322,655	208,952,374	149,273,745	166,018,176
\$50,000 under \$75,000	2,796,836	3,057,266	164,256,670	179,566,469	131,174,316	141,376,967
\$75,000 under \$100,000	645,884	702,064	55,099,048	59,748,095	43,524,621	46,720,423
\$100,000 under \$150,000	398,479	432,757	47,552,689	51,674,638	37,510,693	40,228,978
\$150,000 under \$200,000	118,037	138,082	20,164,437	23,616,649	15,842,213	18,710,797
\$200,000 under \$300,000	80,945	93,033	19,350,168	22,323,087	15,230,276	17,807,227
\$300,000 under \$500,000	37,147	47,245	13,906,555	17,650,665	10,788,043	14,153,358
\$500,000 under \$1,000,000	14,758	20,681	9,815,188	13,830,843	7,416,993	11,042,159
\$1,000,000 or more	5,286	8,408	11,128,551	18,769,578	8,168,130	14,888,860

Size of adjusted gross income	Total income tax ¹		Percent of filers with no income tax liability		Filers with income tax liability			
					Average tax (whole dollars)		Tax as percent of adj. gross inc.	
	1981	1982	1981	1982	1981	1982	1981	1982
	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Total	284,128,989	277,597,301	19.6	19.2	3,703	3,604	16.5	15.4
Less than \$1,000	137,840	130,288	99.5	99.6	8,626 ²	9,298 ²	-	-
\$1,000 under \$3,000	43,465	35,182	95.5	95.0	123	92	6.0	5.0
\$3,000 under \$5,000	516,050	475,448	41.7	41.9	120	117	2.9	2.8
\$5,000 under \$7,000	1,761,464	1,473,139	32.0	31.4	357	321	5.9	5.4
\$7,000 under \$9,000	3,306,387	2,967,854	18.1	20.7	571	521	7.1	6.5
\$9,000 under \$11,000	5,150,823	4,462,848	5.2	6.8	834	746	8.3	7.4
\$11,000 under \$13,000	6,531,708	5,566,452	3.2	4.0	1,160	1,026	9.7	8.6
\$13,000 under \$15,000	7,601,053	7,002,695	2.2	2.3	1,498	1,324	10.7	9.5
\$15,000 under \$17,000	8,355,068	7,766,398	1.8	1.5	1,830	1,665	11.5	10.4
\$17,000 under \$19,000 M	9,226,778	7,786,372	1.3	1.8	2,179	2,001	12.1	11.1
\$19,000 under \$22,000	15,609,261	12,725,118	1.1	1.2	2,645	2,399	12.9	11.7
\$22,000 under \$25,000	16,563,264	15,378,094	.9	1.3	3,209	2,956	13.7	12.6
\$25,000 under \$30,000	28,474,945	27,852,640	.6	.6	3,976	3,676	14.5	13.4
\$30,000 under \$35,000	26,910,961	25,867,035	.4	.5	5,103	4,605	15.7	14.2
\$35,000 under \$40,000	24,834,220	24,098,091	.3	.5	6,370	5,743	17.1	15.4
\$40,000 under \$50,000	34,847,163	35,029,801	.6	.5	8,379	7,468	18.9	16.9
\$50,000 under \$75,000	36,299,454	35,892,383	.5	.5	13,050	11,803	22.2	20.1
\$75,000 under \$100,000	14,715,265	14,594,818	.4	.4	22,867	20,865	26.8	24.5
\$100,000 under \$150,000	14,619,378	14,385,740	.4	.2	36,828	33,321	30.9	27.9
\$150,000 under \$200,000	6,886,418	7,483,155	.2	.5	58,439	54,447	34.2	31.8
\$200,000 under \$300,000	7,183,611	7,651,434	.2	.2	88,930	82,400	37.2	34.3
\$300,000 under \$500,000	5,566,282	6,380,687	.1	.1	149,990	135,233	40.1	36.2
\$500,000 under \$1,000,000	4,100,676	5,222,845	.1	.1	278,182	252,751	41.8	37.8
\$1,000,000 or more	4,887,456	7,368,787	.1	.1	925,655	877,132	44.0	39.3

M - The median taxpayer was at this income level for both 1981 and 1982.
See notes following Table 13.

Selected Statistical Series, 1970-1984

Table 4. — Nonfarm Sole Proprietorship Returns: Selected Income and Deduction Items for Selected Years, 1970-1982
 [All figures are estimates based on samples — money amounts are in thousands of dollars]

Item	1970	1975	1979	1980	1981	1982
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns, total	5,769,741	7,221,346	8,595,736 ¹	8,931,712 ¹	9,584,790 ¹	10,105,515 ¹
No. with net business income	n.a.	n.a.	n.a.	n.a.	6,534,688	6,761,405
Inventory, end of year	11,060,775	15,578,040	21,925,135	21,996,236	22,921,503	21,804,915
Business receipts, total	198,582,172	273,954,741	395,669,594	411,205,713	427,063,055	433,664,897
Income from sales and operations ...	n.a.	272,342,560	392,497,616	407,169,299	421,700,025	428,311,840
Total deductions	168,044,746	234,318,288	339,141,191	356,258,495	373,991,426	383,091,734
Cost of goods sold/operations	109,148,811	146,261,435	202,498,637	209,889,809	209,723,950	205,471,499
Purchases	88,585,913	117,722,352	161,798,251	168,301,517	167,751,431	161,295,256
Cost of labor	7,704,285	8,791,083	10,943,072	10,922,221	10,923,120	11,424,639
Materials and supplies	6,216,057	9,090,638	13,943,072	12,909,222	12,081,423	12,735,789
Commissions	1,274,016	2,225,830	3,744,999	3,333,345	3,539,844	4,464,026
Salaries and wages	15,107,047	20,227,859	27,338,570	26,560,821	28,749,357	30,403,121
Car and truck expenses	n.a.	n.a.	11,442,680	13,378,289	12,358,478	n.a.
Rent paid	4,636,528	6,676,314	8,885,890	9,636,290	10,715,102	11,797,053
Repairs	2,444,607	3,044,175	4,769,757	5,031,573	5,414,156	6,006,403
Taxes paid	3,775,502	5,423,961	7,484,662	7,672,459	6,661,054	7,747,540
Utilities	n.a.	n.a.	4,502,560	4,790,337	8,275,517	n.a.
Insurance	2,309,608	3,503,812	5,861,950	6,003,126	6,238,704	6,448,494
Interest paid	1,784,276	3,390,845	6,386,472	7,190,257	9,052,338	10,143,489
Depreciation	5,451,525	7,958,143	12,929,133	13,952,703	15,854,513	19,121,559
Pension and profit sharing plans ...	72,741	125,296	135,952	141,463	152,588	136,359
Net income (less loss)	30,537,426	36,636,453	56,528,403	54,947,219	53,071,628	50,573,164
Net income, businesses w/profit	33,735,732	45,624,890	67,078,638	68,010,051	68,552,791	68,647,384
Net loss, businesses w/o profit	3,198,306	5,988,437	10,550,235	13,062,832	15,481,162	18,094,220

See notes following Table 13.

Table 5. — Partnership Returns: Selected Income Statement and Balance Sheet Items for Selected Years, 1970-1982
 [All figures are estimates based on samples — money amounts are in thousands of dollars]

Item	1970	1975	1979	1980	1981	1982 (Preliminary)
	(1)	(2)	(3)	(4)	(5)	(6)
Total number of active partnerships ..	936,133	1,073,094	1,299,593	1,379,654	1,460,502	1,514,212
Number with net income	639,795	661,134	765,575	774,173	749,222	791,117
Number with balance sheets	555,741	783,271	n.a.	1,194,236	1,193,792	1,217,386
Number of partners	3,697,818	4,950,634	6,954,767	8,419,899	9,448,361	9,764,667
Total assets ¹	116,752,751	235,468,301	447,130,068	597,503,923	715,232,726	845,281,449
Buildings/depreciable assets (net) ..	n.a.	113,124,969	n.a.	239,139,823	367,270,152	310,846,376
Inventories, end of year	n.a.	11,985,431	n.a.	33,218,272	59,649,950	100,728,688
Land	n.a.	36,731,958	n.a.	70,241,248	76,336,446	84,820,308
Total liabilities	n.a.	193,875,629	n.a.	488,734,023	580,033,757	701,630,766
Accounts payable	n.a.	12,302,055	n.a.	33,899,048	29,092,451	37,254,748
Short-term debt ²	n.a.	22,709,476	n.a.	48,001,839	55,691,914	73,277,805
Long-term debt ³	n.a.	136,296,764	n.a.	178,044,406	196,508,937	236,218,378
Nonrecourse loans	n.a.	n.a.	n.a.	118,910,380	138,134,304	154,408,961
Partners' capital accounts	n.a.	41,592,672	n.a.	108,769,900	135,198,969	143,650,646
Total receipts	93,348,080	148,417,529	258,197,936	291,998,115	272,129,807	296,690,303
Business receipts	90,208,834	142,505,781	242,653,710	271,108,832	230,027,336	251,608,987
Interest received ⁴	942,304	2,477,173	7,246,203	10,869,323	13,772,559	15,259,801
Total deductions	83,557,684	140,679,959	242,992,028	283,749,460	274,864,704	304,004,833
Cost of goods sold/operations	46,040,874	64,672,843	102,096,671	113,885,668	130,043,609	144,595,111
Purchases	31,820,581	42,608,734	64,201,085	70,439,607	92,136,914	96,111,197
Cost of labor	4,146,927	4,585,836	6,737,888	7,015,547	5,835,683	7,183,865
Salaries and wages	8,129,233	12,489,039	19,392,819	22,336,337	21,136,914	23,204,883
Taxes paid	3,159,258	5,770,918	8,328,583	9,553,145	5,040,336	5,288,971
Interest paid	4,470,206	12,097,100	21,275,551	28,362,385	19,586,018	21,517,044
Depreciation ⁵	4,578,820	10,108,834	17,662,667	21,576,189	27,263,184	32,361,640
Net income (less loss)	9,790,396	7,737,570	15,205,908	8,248,655	-2,734,897	-7,314,587
Net income, businesses w/profit	14,419,124	22,431,931	40,000,896	45,061,756	50,567,190	53,556,856
Net loss, businesses w/o profit	4,628,728	14,694,361	24,794,987	36,813,100	53,302,086	60,871,442

See notes following Table 13.

Table 6. — Number of Business Income Tax Returns, by Size of Receipts and Assets, for Selected Years, 1970-1981
 [All figures are estimates based on samples — money amounts are in thousands of dollars]

Size of business	Number of businesses reporting					
	1970	1975	1978	1979	1980	1981
	(1)	(2)	(3)	(4)	(5)	(6)
CORPORATIONS						
Receipt size						
Under \$25,000	451.9	468.9	498.7	522.0	557.0	585.3
\$25,000 - \$49,999	170.7	186.4	196.8	198.3	207.7	210.2
\$50,000 - \$99,999	219.8	260.7	275.3	296.5	322.7	311.5
\$100,000 - \$199,999				380.4	558.4	569.1
\$200,000 - \$499,999	516.9	673.9	804.1	497.2	367.3	404.4
\$500,000 - \$999,999	141.1	184.2	248.8	262.9	279.8	291.6
\$1,000,000 or more	165.0	249.5	353.0	399.5	417.7	440.3
Asset size						
Under \$100,000	961.0	1,177.7	1,320.9	1,403.2	1,514.6	1,569.5
\$100,000 - \$1 million	599.1	704.6	862.2	940.3	968.9	1,004.1
\$1 million - \$10 million	87.0	116.4	162.3	180.5	191.8	201.2
\$10 million - \$25 million	9.8	12.2	15.2	15.3	16.6	17.5
\$25 million - \$50 million	3.9	5.6	6.9	7.3	7.8	8.4
\$50 million - \$100 million	2.1	3.1	4.1	4.4	4.8	5.2
\$100 million - \$250 million	1.4	2.1	2.8	3.0	3.2	3.4
\$250 million and over	1.2	1.9	2.5	2.7	2.9	3.1
PARTNERSHIPS¹						
Receipt size						
Under \$25,000	501.7	549.7	585.1	603.3	638.0	748.2 ²
\$25,000 - \$49,999	125.2	141.0	160.8	174.2	181.8	163.6
\$50,000 - \$99,999	119.6	133.7	167.5	168.7	183.6	180.2
\$100,000 - \$199,999	97.2	114.0	139.5	149.5	195.5	147.1
\$200,000 - \$499,999	65.2	90.6	115.2	126.3	95.3	131.3
\$500,000 - \$999,999	17.0	25.5	38.2	44.2	48.1	50.8
\$1,000,000 or more	10.3	18.6	27.7	33.5	37.4	39.2
Asset size						
Under \$25,000	635.7	611.0	623.7	592.2	541.9	612.5
\$25,000 - \$49,999	80.8	105.9	117.9	133.1	156.3	154.6
\$50,000 - \$99,999	73.5	106.8	134.9	150.6	180.2	173.6
\$100,000 - \$249,999	74.7	116.0	161.4	185.1	219.1	211.5
\$250,000 - \$499,999	33.8	56.9	85.4	101.7	117.9	122.0
\$500,000 - \$999,999	19.3	35.3	50.6	61.5	72.1	83.4
\$1,000,000 or more	18.3	41.2	60.2	75.3	92.2	103.0
NONFARM SOLE PROPRIETORSHIPS						
Receipt size						
Under \$2,500	1,894.3	2,299.9	2,549.5	2,609.9	2,783.1	
\$2,500 under \$5,000	815.1	959.4	1,068.3	1,137.4	1,158.6	
\$5,000 under \$10,000	891.5	1,041.7	1,191.8	1,237.1	1,262.9	
\$10,000 under \$25,000	1,137.4	1,325.7	1,530.2	1,597.1	1,711.8	
\$25,000 under \$50,000	746.4	849.5	981.1	1,039.6	1,079.1	
\$50,000 under \$100,000	562.0	644.5	751.2	821.3	835.6	
\$100,000 under \$200,000	297.4	380.9	488.7	523.4	795.8	
\$200,000 under \$500,000	122.3	209.2	263.8	283.5		
\$500,000 under \$1,000,000	20.8	35.3	62.6	68.4	73.9	
\$1,000,000 or more	6.6	13.5	21.2	25.8	29.2	

See notes following Table 13.

Selected Statistical Series, 1970-1984

Table 7. — Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items by Industrial Division for Selected Years, 1970-1981

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

Industrial division and items	1970	1975	1978	1979	1980	1981
	(1)	(2)	(3)	(4)	(5)	(6)
AGRICULTURE, FORESTRY AND FISHING						
Number of returns, total	37,283	56,280	69,971	76,643	80,883	85,370
Number with net income	19,843	33,328	44,807	46,683	43,827	44,948
Total assets	11,909,403	21,177,941	32,904,622	36,265,804	40,738,977	46,081,067
Total liabilities	7,897,335	14,332,992	22,685,831	24,775,572	29,278,042	32,492,648
Total receipts	14,277,707	28,118,514	41,417,558	50,986,876	52,089,915	65,061,959
Business receipts	13,591,763	26,624,149	39,222,456	48,367,354	48,850,056	60,907,045
Interest received	69,742	171,732	251,195	349,252	476,654	751,553
Total deductions	14,209,713	27,369,286	40,125,054	49,751,856	51,418,280	64,735,599
Cost of sales and operations	10,555,539	19,738,447	29,140,482	36,226,280	35,798,332	45,552,234
Interest paid	356,225	797,420	1,251,690	1,592,102	2,184,441	2,738,463
Net income (less loss)	65,295	746,908	1,296,962	1,239,718	673,158	328,308
Net income, businesses w/profit ..	493,400	1,493,168	2,202,179	2,469,480	2,464,381	2,551,988
Deficit, businesses w/o profit ...	428,105	746,260	905,217	1,229,762	1,791,222	2,223,679
Income tax before credits	113,115	351,059	475,815	501,397	533,768	543,280
Total income tax after credits	107,023	294,584	340,710	365,106	422,282	414,448
Distributions to stockholders except in own stock	65,824	244,524	251,428	326,037	304,733	512,027
MINING						
Number of returns, total	14,465	14,242	19,124	24,296	25,576	33,363
Number with net income	7,303	8,297	11,148	11,259	12,698	17,634
Total assets	23,972,812	64,505,341	97,670,205	115,530,163	126,947,880	168,908,241
Total liabilities	10,590,991	31,739,651	52,613,050	64,248,721	72,879,732	98,442,207
Total receipts	17,747,750	65,909,994	94,706,062	132,926,563	176,672,390	200,194,751
Business receipts	16,699,586	63,670,496	90,538,979	127,833,110	167,397,918	189,552,446
Interest received	176,728	522,757	635,038	959,329	1,301,266	2,432,908
Total deductions	15,927,348	42,348,765	67,158,152	89,992,366	169,051,624	195,021,576
Cost of sales and operations	9,955,600	30,171,612	44,583,576	60,477,876	116,989,880	150,193,394
Interest paid	388,032	1,166,182	2,180,034	2,769,022	3,440,080	6,051,461
Net income (less loss)	1,834,315	23,574,833	27,709,582	43,063,340	7,750,561	5,620,746
Net income, businesses w/profit ..	2,399,507	24,347,893	29,582,865	44,911,264	10,133,685	10,611,609
Deficit, businesses w/o profit ...	565,192	773,060	1,873,283	1,571,455	2,383,124	4,990,863
Income tax before credits	1,031,550	11,361,037	13,741,509	20,098,354	3,947,569	4,119,612
Total income tax after credits	342,928	1,051,138	1,046,525	1,212,267	1,672,492	1,685,491
Distributions to stockholders except in own stock	1,177,550	1,015,895	2,194,973	3,215,842	4,757,780	3,278,771
CONSTRUCTION						
Number of returns, total	138,905	191,219	228,657	259,213	272,432	276,395
Number with net income	82,078	108,852	148,712	162,732	150,368	145,206
Total assets	42,719,792	76,691,947	105,545,997	125,420,947	132,939,026	150,764,144
Total liabilities	30,900,188	57,662,870	79,758,557	95,369,236	100,112,852	113,695,252
Total receipts	90,610,644	146,955,117	216,710,160	258,723,850	267,205,356	280,172,375
Business receipts	88,945,385	143,412,715	211,618,796	252,702,613	260,387,692	270,543,236
Interest received	219,698	614,583	898,369	1,394,177	2,073,650	3,122,737
Total deductions	89,070,022	144,717,309	210,906,569	252,709,644	262,116,275	276,744,601
Cost of sales and operations	73,434,969	116,845,554	171,491,603	204,421,609	208,064,925	214,612,975
Interest paid	711,496	1,973,244	2,580,694	3,536,998	4,278,502	5,318,285
Net income (less loss)	1,538,418	2,236,262	5,876,327	6,136,913	5,271,209	3,455,058
Net income, businesses w/profit ..	2,548,013	4,514,864	8,056,979	9,117,112	8,911,143	8,295,947
Deficit, businesses w/o profit ...	1,009,595	2,278,602	2,180,652	2,980,199	3,639,934	4,840,889
Income tax before credits	776,979	1,320,196	2,398,869	2,550,908	2,521,507	2,316,708
Total income tax after credits	756,637	1,131,960	1,496,951	1,824,890	1,973,614	1,868,113
Distributions to stockholders except in own stock	299,204	464,553	627,914	697,637	793,764	889,557
MANUFACTURING						
Number of returns, total	197,807	217,354	223,417	241,795	242,550	251,294
Number with net income	120,814	136,839	159,631	164,605	153,640	149,964
Total assets	612,912,516	944,581,970	1,308,673,807	1,533,494,376	1,709,471,700	1,933,710,383
Total liabilities	303,989,223	501,994,296	713,609,724	856,041,068	960,284,926	1,085,493,079
Total receipts	722,952,890	1,296,359,650	1,836,552,260	2,166,399,886	2,404,323,844	2,613,512,581
Business receipts	700,090,661	1,258,338,650	1,773,467,830	2,086,220,228	2,301,056,550	2,487,695,859
Interest received	4,748,499	8,691,092	15,089,753	21,355,133	28,315,784	38,848,407
Total deductions	692,455,462	1,230,689,496	1,730,009,625	2,045,448,376	2,290,593,808	2,509,134,569
Cost of sales and operations	495,879,549	925,111,030	1,290,204,263	1,533,327,048	1,707,143,900	1,822,985,043
Interest paid	12,570,242	22,055,903	30,915,600	41,587,856	54,177,356	73,084,336
Net income (less loss)	31,846,078	68,406,627	113,518,786	130,791,918	125,667,815	116,775,393
Net income, businesses w/profit ..	37,925,489	74,466,554	120,144,888	140,223,449	141,547,510	138,215,539
Deficit, businesses w/o profit ...	6,079,411	6,059,927	6,626,102	9,431,531	15,879,695	21,440,146
Income tax before credits	16,744,905	32,306,739	52,753,150	58,668,112	59,577,413	58,820,480
Total income tax after credits	13,242,226	21,024,964	34,218,035	35,059,349	32,701,861	30,115,496
Distributions to stockholders except in own stock	14,616,282	19,973,061	31,173,451	38,321,486	37,306,509	41,434,134

Table 7. (Continued) — Corporation Income Tax Returns: Selected Balance Sheet, Income Statements, and Tax Items by Industrial Division for Selected Years, 1980-1981

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

Industrial division and items	1970	1975	1978	1979	1980	1981
	(1)	(2)	(3)	(4)	(5)	(6)
TRANSPORTATION AND PUBLIC UTILITIES						
Number of returns, total	67,398	80,701	92,686	106,824	111,324	109,127
Number with net income	38,204	45,360	54,343	61,583	62,232	56,480
Total assets	287,740,207	443,236,797	597,721,008	676,186,972	758,364,400	837,300,816
Total liabilities	166,535,185	266,792,390	356,560,566	411,531,388	467,708,707	516,438,230
Total receipts	135,495,271	243,480,637	372,898,491	448,140,811	523,807,396	598,507,994
Business receipts	131,463,171	234,689,427	360,687,424	434,427,319	507,372,820	575,602,089
Interest received	930,266	1,520,913	2,945,437	4,067,665	5,760,072	8,048,746
Total deductions	127,931,131	233,409,166	352,027,145	429,849,123	503,954,285	579,172,068
Cost of sales and operations ...	77,743,359	143,932,463	227,211,452	284,041,578	336,868,172	358,354,512
Interest paid	7,364,200	13,761,062	18,142,886	21,631,167	27,638,591	34,085,384
Net income (less loss)	7,543,718	10,099,571	21,001,954	18,462,903	20,046,155	19,573,717
Net income, businesses w/profit..	9,471,595	12,088,189	23,305,319	22,058,598	24,917,293	25,739,287
Deficit, businesses w/o profit..	1,927,877	1,988,618	2,303,365	3,595,695	4,871,138	6,165,570
Income tax before credits	4,342,334	5,107,158	10,252,353	9,115,461	10,532,722	10,481,203
Total income tax after credits ...	4,036,650	2,836,470	5,256,704	4,834,026	5,322,990	5,065,529
Distributions to stockholders except in own stock	5,837,565	8,900,353	13,666,472	15,275,029	17,329,807	19,622,705
WHOLESALE AND RETAIL TRADE						
Number of returns, total	518,062	614,632	721,443	776,661	799,628	816,836
Number with net income	339,987	399,668	483,173	502,947	487,300	476,877
Total assets	192,181,800	323,496,726	486,146,204	573,310,389	646,901,005	708,060,408
Total liabilities	115,179,668	200,846,992	313,748,608	376,719,434	424,611,318	472,256,895
Total receipts	522,547,923	969,938,872	1,461,404,863	1,750,559,063	1,955,523,778	2,039,628,384
Business receipts	511,316,883	951,463,550	1,436,428,884	1,711,773,627	1,919,347,689	1,997,262,710
Interest received	1,291,906	3,857,318	5,293,767	8,243,949	10,503,989	14,319,277
Total deductions	512,910,193	947,511,780	1,426,238,358	1,711,496,089	1,919,454,218	2,006,891,471
Cost of sales and operations ...	392,391,856	745,299,204	1,134,768,864	1,361,550,632	1,538,128,634	1,594,256,679
Interest paid	4,309,663	8,587,173	13,677,333	19,931,751	25,645,855	30,997,865
Net income (less loss)	9,671,044	22,489,430	35,759,358	40,242,601	38,309,671	33,320,403
Net income, businesses w/profit..	12,395,411	27,681,721	41,432,239	48,246,345	49,426,500	47,657,374
Deficit, businesses w/o profit..	2,724,367	5,192,291	5,672,882	8,003,744	11,116,829	14,336,971
Income tax before credits	4,476,047	8,103,316	12,386,647	13,313,992	13,515,653	12,329,212
Total income tax after credits ...	4,237,181	7,348,619	9,913,600	10,772,309	10,550,255	10,282,598
Distributions to stockholders except in own stock	2,068,501	5,029,897	7,272,502	8,821,280	10,343,087	10,034,841
FINANCE, INSURANCE AND REAL ESTATE						
Number of returns, total	406,235	411,846	454,031	471,227	493,426	469,795
Number with net income	248,586	243,409	278,590	281,195	273,853	258,622
Total assets	1,401,153,520	2,321,965,956	3,249,397,057	3,630,045,296	4,022,206,073	4,486,191,441
Total liabilities	1,204,673,072	2,052,195,429	2,883,857,407	3,187,436,102	3,491,664,756	3,830,001,863
Total receipts	177,321,173	315,795,981	474,690,489	560,968,442	697,460,846	877,808,946
Business receipts	92,091,887	157,126,715	234,578,853	254,722,667	256,892,475	330,631,846
Interest received	63,694,046	127,040,303	194,203,053	250,979,245	315,146,115	421,159,015
Total deductions	161,630,060	297,963,817	432,294,860	514,086,140	652,637,787	838,764,803
Cost of sales and operations ...	48,434,362	84,614,209	111,618,648	123,367,688	129,644,330	162,447,596
Interest paid	34,548,509	77,677,659	118,850,328	164,365,541	219,167,684	314,128,780
Net income (less loss)	12,214,079	11,663,330	33,873,934	37,011,262	33,122,792	26,346,494
Net income, businesses w/profit..	15,081,939	18,825,003	38,585,831	43,275,518	46,040,390	53,018,005
Deficit, businesses w/o profit..	2,867,860	7,161,673	4,711,897	6,264,256	12,917,599	26,671,510
Income tax before credits	4,404,449	5,558,647	11,756,250	11,595,112	9,680,755	7,968,422
Total income tax after credits ...	4,150,009	4,673,705	9,908,261	9,601,617	7,698,134	6,037,489
Distributions to stockholders except in own stock	7,387,211	8,729,977	13,599,824	18,348,769	24,692,146	41,998,295 ^a
SERVICES						
Number of returns, total	281,218	435,672	560,016	609,103	671,338	752,813
Number with net income	150,525	249,641	338,498	364,156	408,716	441,100
Total assets	61,875,140	90,534,067	134,379,134	153,219,483	178,163,737	213,724,531
Total liabilities	42,346,078	63,678,693	95,548,868	108,132,469	125,298,224	152,673,683
Total receipts	69,572,626	131,377,364	210,606,073	244,542,893	279,883,187	346,846,723
Business receipts	66,459,515	125,747,462	201,678,049	234,497,897	266,088,619	328,053,889
Interest received	435,070	875,506	1,524,734	2,196,467	3,269,412	4,696,008
Total deductions	68,384,452	127,996,443	202,985,210	236,359,966	271,792,974	338,790,049
Cost of sales and operations ...	37,733,747	63,724,869	100,355,222	117,057,522	129,352,692	157,886,393
Interest paid	1,802,802	3,279,438	4,752,293	6,082,021	8,033,612	10,472,892
Net income (less loss)	1,198,703	3,396,744	7,666,125	8,252,805	8,193,903	8,197,916
Net income, businesses w/profit..	3,384,869	6,025,592	10,994,355	12,060,033	13,246,601	15,182,552
Deficit, businesses w/o profit..	2,186,166	2,628,848	3,328,230	3,807,228	5,052,698	6,984,635
Income tax before credits	1,058,264	1,625,093	3,151,307	3,276,011	3,497,265	4,029,725
Total income tax after credits ...	1,003,130	1,323,637	2,158,326	2,419,382	2,613,888	2,943,149
Distributions to stockholders except in own stock	558,452	855,402	1,490,937	1,816,177	1,841,945	2,491,324

See notes following Table 13.

Selected Statistical Series, 1970-1984

Table 8. — Corporation Income Tax Returns: Selected Balance Sheet, Income Statement, and Tax Items for Selected Years, 1970-1982

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

Item	1970	1975	1979	1980	1981	1982 (Preliminary)
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns, total	1,665,477	2,023,647	2,577,801	2,710,538	2,812,420	2,925,974
Number with net income	1,008,337	1,226,208	1,599,322	1,596,632	1,597,298	1,608,376
Small Business Corp. returns	257,475	358,413	518,550	545,389	541,489	564,004
DISC returns	N/A	6,431	8,066	8,665	9,408	10,107
Total assets	2,634,706,564	4,286,556,273	6,844,891,231	7,617,238,403	8,547,161,872	9,115,417,350
Notes and acc'ts receivable	614,667,376	1,051,542,806	1,817,469,863	1,984,601,790	2,239,832,960	2,378,504,390
Inventories	190,401,642	317,718,545	504,315,590	534,806,547	588,219,956	555,250,788
Investments in Gov't obligations ...	196,625,390	316,131,699	421,441,738	472,059,737	514,837,697	590,837,486
Net capital assets, except land ¹	552,838,384	825,107,002	1,264,872,322	1,418,605,742	1,591,843,868	1,740,569,453
Total liabilities	1,882,295,401	3,189,491,468	5,125,337,041	5,672,850,147	6,303,221,090	6,691,944,788
Accounts payable	148,812,597	263,417,584	482,558,295	542,172,368	619,969,292	672,438,045
Short-term debt ²	170,884,261	272,123,551	452,958,194	504,802,288	585,947,678	680,449,845
Long-term debt ²	362,700,303	586,703,526	885,515,693	986,663,932	1,058,070,877	1,169,854,417
Net worth	752,411,163	1,097,064,806	1,719,554,190	1,944,388,256	2,243,940,782	2,423,472,562
Total receipts	1,750,776,503	3,198,627,860	5,615,625,519	6,361,284,012	7,026,351,839	7,299,790,479
Business receipts	1,620,885,576	2,961,729,640	5,152,613,019	5,731,616,337	6,244,678,064	5,947,307,938
Interest on Gov't obligations	9,687,116	17,264,405	30,420,365	38,061,592	50,519,552	n.a.
State and Local	3,775,917	6,711,606	10,878,916	12,620,876	13,881,460	13,728,866
United States	5,911,199	10,552,799	19,541,449	25,440,716	36,638,092	580,317,400
Other interest	61,883,309	126,034,505	259,146,298	328,802,958	442,918,194	
Rents and royalties	16,524,889	26,932,271	40,303,671	53,821,391	67,522,636	81,665,848
Net short-term capital gain less net long-term capital loss	190,439	301,601	1,209,842	2,013,510	2,178,572	2,869,643
Net long-term capital gain less net short-term capital loss	5,481,580	8,364,523	20,005,538	24,910,957	29,064,630	25,525,347
Net gain, sales of noncap. assets ..	5,315,562	7,757,287	15,397,176	20,117,615	16,639,271	20,670,368
Dividends received from domestic corporations	5,238,421	8,818,282	16,863,766	18,654,800	17,442,112	17,584,198
Dividends received from foreign corporations	3,466,515	5,467,726	12,715,084	14,563,353	13,790,320	13,522,501
Total deductions	1,682,778,847	3,052,674,597	5,331,970,825	6,125,365,155	6,813,841,356	7,152,428,033
Cost of sales and operations	1,146,263,273	2,129,928,467	3,721,782,971	4,204,905,905	4,509,198,199	4,119,283,079
Bad debts	6,479,814	13,781,147	17,486,107	18,769,771	22,286,815	26,277,256
Taxes paid	49,523,243	81,530,302	128,172,063	163,003,622	170,470,926	n.a.
Interest paid	62,055,010	129,307,921	261,530,850	344,612,542	476,964,684	579,667,047
Contributions or gifts	797,029	1,202,130	2,294,755	2,358,554	2,514,425	2,821,682
Depreciation	52,941,266	86,295,664	138,490,396	157,345,828	186,195,048	209,000,891
Depletion	5,623,339	5,341,489	7,828,973	8,871,993	7,929,396	6,950,193
Pension, profit-sharing, stock bonus, and annuity plans	12,225,912	26,526,129	46,583,431	51,529,310	52,952,583	52,587,216
Net loss, sales of noncap. assets ..	1,289,305	1,804,079	4,074,858	5,903,104	7,943,607	10,176,365
Net income (less loss)	65,901,614	142,636,826	285,300,630	239,006,542	213,648,962	146,613,867
Net income, businesses w/profit	83,710,924	169,483,336	322,517,550	296,787,201	301,440,778	265,159,813
Net loss, businesses w/o profit	17,809,310	26,846,510	37,216,920	57,780,659	87,791,816	118,545,946
Income subject to tax	72,374,437	146,589,287	280,155,155	246,598,486	241,496,368	199,940,199
Income tax before credits ³	32,949,937	65,769,822	119,157,964	103,831,172	100,644,417	82,812,631
Tax credits, total	5,414,940	26,452,791	54,229,274	42,167,741	43,813,131	38,469,208
Foreign tax credit	4,548,986	19,987,724	36,828,057	24,861,315	21,828,686	18,289,309
Possessions tax credit	N/A	N/A	1,376,124	1,565,681	1,945,637	2,024,172
Investment credit	865,954	6,459,746	14,678,306	15,102,812	18,887,286	16,955,620
Jobs credit	N/A	N/A	1,318,837	601,444	472,895	304,918
Research credit	N/A	N/A	N/A	N/A	639,302	822,572
Income tax after credits ³	27,534,997	39,317,031	64,928,690	61,663,431	56,831,286	44,343,423
Additional tax for tax preferences ...	265,249	156,740	433,649	438,820	524,851	463,369
Total income tax	27,878,078	39,691,517	66,120,672	62,974,695	58,444,720	45,986,991
Distributions to stockholders, except in own stock	32,012,677	45,224,392	86,833,911	97,378,617	120,295,338	130,501,864

See notes following Table 13.

Table 9. — Gross Internal Revenue Collections: Amount Collected by Quarter and Fiscal Year, 1980-1984
 [Money amounts are in millions of dollars]

Quarter and fiscal year	Amount collected by type of return					
	Total	Individual income taxes ¹	Corporation income taxes	Excise taxes ²	Employment taxes ³	Estate and gift taxes
	(1)	(2)	(3)	(4)	(5)	(6)
FISCAL YEAR 1980 TOTAL	519,375	287,548	72,380	24,619	128,330	6,498
October 1979 - December 1979	105,947	58,899	14,894	4,902	25,755	1,497
January 1980 - March 1980	122,422	68,723	15,074	4,250	32,850	1,524
April 1980 - June 1980	166,827	91,480	28,360	7,335	38,036	1,617
July 1980 - September 1980	124,179	68,447	14,051	8,132	31,689	1,861
FISCAL YEAR 1981 TOTAL	606,799	332,850	73,733	40,420	152,886	6,910
October 1980 - December 1980	118,804	67,081	14,527	7,305	28,193	1,698
January 1981 - March 1981	143,899	77,467	14,844	10,082	39,878	1,628
April 1981 - June 1981	196,970	108,600	29,204	11,963	45,510	1,692
July 1981 - September 1981	147,126	79,702	15,158	11,069	39,304	1,893
FISCAL YEAR 1982 TOTAL	632,241	352,609	65,991	36,779	168,718	8,143
October 1981 - December 1981	137,570	71,526	15,898	10,577	37,654	1,915
January 1982 - March 1982	154,128	85,930	14,722	9,426	41,751	2,299
April 1982 - June 1982	196,506	113,852	23,115	8,389	49,165	1,986
July 1982 - September 1982	144,036	81,301	12,256	8,387	40,148	1,943
FISCAL YEAR 1983 TOTAL	627,247	349,628	61,780	35,766	173,848	6,226
October 1982 - December 1982	132,205	70,312	13,404	8,498	38,404	1,588
January 1983 - March 1983	150,019	86,853	11,494	8,222	41,930	1,519
April 1983 - June 1983	194,431	111,721	22,027	8,947	50,219	1,516
July 1983 - September 1983	150,591	80,742	14,855	10,097	43,294	1,602
FISCAL YEAR 1984						
October 1983 - December 1983	141,849	73,379	16,208	9,654	41,132	1,476
January 1984 - March 1984	164,681	89,316	14,337	8,862	50,545	1,622
April 1984 - June 1984	208,814	114,525	25,990	9,680	57,061	1,558

See notes following Table 13.

Table 10. — Internal Revenue Refunds: Amount Refunded by Quarter and Fiscal Year, 1980-1984
 [Money amounts are in millions of dollars]

Quarter and fiscal year	Amount refunded by type of return					
	Total	Individual income taxes ¹	Corporation income taxes	Excise taxes ²	Employment taxes ³	Estate and gift taxes
	(1)	(2)	(3)	(4)	(5)	(6)
FISCAL YEAR 1980 TOTAL	54,009	44,423 ⁴	8,056	293	1,115	123
October 1979 - December 1979	3,062	732	2,119	45	137	29
January 1980 - March 1980	19,980	17,731	1,962	137	132	18
April 1980 - June 1980	26,438	23,553	2,222	75	550	39
July 1980 - September 1980	4,529	2,407	1,753	36	296	37
FISCAL YEAR 1981 TOTAL	63,303	48,409 ⁴	13,294	343	1,114	143
October 1980 - December 1980	4,215	971	3,047	49	116	32
January 1981 - March 1981	21,988	18,285	3,687	76	-99	39
April 1981 - June 1981	30,352	26,027	3,160	163	967	34
July 1981 - September 1981	6,749	3,125	3,400	55	128	40
FISCAL YEAR 1982 TOTAL	75,202	55,102 ⁵	17,974	367	1,578	181
October 1981 - December 1981	5,530	1,347	3,920	42	185	37
January 1982 - March 1982	24,024	19,338	4,197	76	377	36
April 1982 - June 1982	35,793	30,481	4,298	163	796	54
July 1982 - September 1982	9,855	3,936	5,559	86	220	53
FISCAL YEAR 1983 TOTAL	89,761	61,198 ⁵	26,012	493	1,849	208
October 1982 - December 1982	9,411	1,875	7,030	58	397	52
January 1983 - March 1983	23,928	16,548	6,838	108	372	62
April 1983 - June 1983	46,715	38,341	7,421	194	721	38
July 1983 - September 1983	9,705	4,434	4,723	133	359	56
FISCAL YEAR 1984						
October 1983 - December 1983	7,201	2,064 ⁶	4,548	195	325	69
January 1984 - March 1984	25,285	19,613 ⁷	4,850	129	646	47
April 1984 - June 1984	44,859	38,161 ⁸	5,452	230	968	47

See notes following Table 13.

Selected Statistical Series, 1970-1984

Table 11. — Classes of Excise Taxes by Selected Fiscal Year, 1970-1984
 [Money amounts are in thousands of dollars]

Selected class of tax	Taxes collected by Fiscal Year					
	1970	1975	1980	1981	1982	1983
	(1)	(2)	(3)	(4)	(5)	(6)
ALCOHOL TAXES, TOTAL	4,746,382	5,350,858	5,704,768	5,688,413	5,459,810	5,634,853
Distilled spirits	3,501,538	3,865,162	3,945,377	3,837,640	3,634,519	3,798,148
Wine	163,337	177,113	211,538	244,445	218,987	239,329
Beer	1,081,507	1,308,583	1,547,853	1,606,328	1,606,303	1,597,375
TOBACCO TAXES, TOTAL	2,094,212	2,315,090	2,446,416	2,583,857	2,539,495	4,139,810
Cigarettes	2,036,101	2,261,116	2,402,857	2,538,674	2,499,046	4,099,226
Cigars	56,834	51,226	39,500	40,742	35,666	33,716
MANUFACTURERS EXCISE TAXES, TOTAL ..	6,683,061	5,516,611	6,487,421	6,088,156	6,382,900	6,776,023
Gasoline and lubricating oil ¹	3,517,586	4,071,465	4,326,549	4,108,716	4,320,856	4,953,267
Tires, tubes and tread rubber ²	614,795	697,660	682,624	668,902	616,785	677,966
Motor vehicles, bodies, parts ³	1,753,327	662,556	1,088,696	914,524	884,845	516,872
Recreational products	53,427	84,946	136,521	158,054	131,288	132,672
Black Lung taxes	N/A	N/A	251,288	237,097	426,620	490,731
SPECIAL FUELS, TOTAL ⁴	257,820	404,187	560,144	587,486	628,625	831,196
Diesel and special motor fuels ...	257,712	370,489	512,718	553,107	598,840	742,380
MISCELLANEOUS EXCISE TAXES, TOTAL ..	2,084,730	3,306,077	6,359,198	19,773,803	24,813,053	19,228,685
Telephone and teletype ⁵	1,469,562	2,023,744	1,117,834	998,503	919,749	1,048,317
Air transportation	250,802	850,567	1,748,837	1,326,829	1,154,818	1,898,786
Highway use tax	135,086	207,663	263,272	266,225	257,329	287,457
Foreign insurance ⁶	8,614	19,458	74,630	74,882	68,276	-44,440
Exempt organizations net investment income	N/A	63,828	65,280	84,045	93,188	112,380
Crude oil windfall profit	N/A	N/A	3,051,719	16,930,548	22,035,927	15,660,081
Environmental taxes (superfund) ..	N/A	N/A	N/A	61,264	252,903	235,954
Selected class of tax	Fiscal year quarter ending					
	Mar. 1983	June 1983	Sept. 1983	Dec. 1983	Mar. 1984	June 1984
	(7)	(8)	(9)	(10)	(11)	(12)
ALCOHOL TAXES, TOTAL	1,331,830	1,293,551	1,646,888	1,250,919	1,360,213	1,349,855
Distilled spirits	906,974	853,577	1,045,906	892,575	925,751	880,320
Wine	63,829	61,896	45,933	64,331	88,292	60,189
Beer	361,027	378,078	555,050	294,013	346,170	409,346
TOBACCO TAXES, TOTAL	1,002,323	1,137,118	1,361,508	1,147,900	1,155,892	1,126,564
Cigarettes	993,909	1,127,198	1,348,253	1,140,023	1,144,380	1,116,732
Cigars	6,791	7,946	11,181	5,426	9,196	7,682
MANUFACTURERS EXCISE TAXES, TOTAL ..	1,480,465	1,426,353	2,406,147	2,814,504	2,477,790	2,327,656
Gasoline and lubricating oil ¹	979,122	998,042	1,983,175	2,488,842	2,181,613	2,107,117
Tires, tubes and tread rubber ²	168,796	158,654	183,624	187,793	133,924	50,255
Motor vehicles, bodies, parts ³	179,889	106,755	85,965	-18,802 ⁷	7,739 ⁷	-3,496 ⁷
Recreational products	27,043	38,141	32,133	35,042	24,512	34,887
Black Lung taxes	125,176	123,777	118,664	121,185	128,541	136,044
SPECIAL FUELS AND RETAILERS TAXES, TOTAL ⁴	182,275	177,061	320,319	588,675	638,989	632,227
Diesel and special motor fuels ...	155,646	151,367	294,813	411,280	376,065	379,273
Trucks and buses, chassis, bodies, etc.	N/A	N/A	N/A	149,064	234,213	224,099
MISCELLANEOUS EXCISE TAXES, TOTAL ..	6,370,018	4,715,585	3,145,046	4,285,278	2,889,908	3,349,216
Telephone and teletype ⁵	211,881	394,149	301,532	677,149	399,012	333,386
Air transportation	503,498	548,423	503,103	587,384	598,922	592,508
Highway use tax	54,784	46,444	168,440	25,665	51,845	37,495
Foreign insurance ⁶	-9,640	-3,229	-16,769	8,010	15,822	15,241
Exempt organizations net investment income	23,600	45,325	35,800	9,445	24,279	58,289
Crude oil windfall profit	5,518,749	3,616,501	2,084,685	2,909,803	1,727,718	2,236,882
Environmental taxes (superfund) ..	59,247	61,175	59,203	63,725	65,475	69,530

See notes following Table 13.

Table 12. — Selected Returns and Forms Filed During Selected Calendar Years, 1970-1984

Type of return or form	Calendar Year						
	Number Filed						1985 Projected
	1970	1975	1980	1982	1983	1984	
						Estimated	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Individual income ¹	77,281,384	84,026,785	93,194,916	95,574,230	95,698,801	97,199,000	101,711,000
Form 1040	77,143,251	61,450,279	55,360,030	57,800,627	59,580,123	61,200,000	63,520,000
Nonbusiness	68,129,351	51,377,153	43,957,141	45,480,555	46,631,876	47,859,000	49,399,000
Business	9,013,900	10,073,126	11,402,889	12,320,072	12,948,247	13,341,000	14,121,000
Schedule C	6,351,304	7,438,968	8,944,298	9,877,372	10,507,205	10,935,000	11,732,000
Schedule F	2,662,596	2,634,158	2,458,591	2,442,700	2,441,042	2,406,000	2,389,000
Form 1040A	N/A	22,462,776	37,692,282	37,618,855	21,045,266	19,901,000	20,746,000
Form 1040EZ	N/A	N/A	N/A	N/A	14,915,949	15,937,000	17,280,000
Corporation income:							
Form 1120	1,487,244	1,705,789	2,030,092	2,346,203	2,461,461	2,585,929	1,710,400
Form 1120A ²							1,000,000
Form 1120S	248,936	367,219	528,070	566,787	616,719	705,073	764,847
Partnership, Form 1065	991,904	1,132,839	1,401,567	1,552,735	1,613,493	1,673,335	1,750,702
Fiduciary, Form 1041 ³	1,149,445	1,558,570	1,876,392	1,962,485	2,019,483	2,071,854	2,126,500
Estate Tax, Forms 706 and 706NA	141,156	225,827	147,303	127,051	106,409	85,256	76,073
Gift Tax, Form 709	146,338	273,184	214,389	84,364	93,260	96,565	109,449
Exempt Organization:							
Form 990 ⁴	377,030	346,627	362,632	368,278	344,216	342,773	346,273
Form 990-PF	N/A	29,637	33,137	31,831	33,232	34,429	35,220
Form 990-T	5,041	19,683	23,455	23,720	25,598	26,582	27,323

See notes on following page.

Table 13. — Selected Demographic and Economic Indexes, 1970-1983

Series	Source	1970 Total (Millions)	INDEXES (1970 = 100)				
			1975	1980	1981	1982	1983
			(1)	(2)	(3)	(4)	(5)
Total U.S. Population ¹	Census	205.05	105.3	111.0	112.1	113.2	114.2
Number of Individual Tax Exemptions ²	SOI	195.10	103.6	110.7	111.7	112.2	-
Civilian Employment ³	BLS	78.68	109.1	126.2	127.6	126.5	128.2
Individual Income Tax Returns Filed ⁴	SOI	74.28	110.7	126.4	128.4	128.3	-
Personal Income ⁵	BEA	\$811,100	156.0	267.0	300.2	317.9	338.0
Individual Income Taxes ⁶	SOI	\$83,909	148.4	298.3	338.6	330.8	-
Social Security & Gov't. Pension Contributions ⁷ ...	BEA	\$58,600	189.2	347.6	404.4	431.7	464.7
Gross National Product ⁸	BEA	\$992,700	156.1	265.1	297.6	309.6	333.4
Real (Deflated) Gross National Product ⁹	BEA	\$1,025,600	113.4	135.9	139.4	136.8	141.4
Industrial Production Index ¹⁰	FRB	-	109.3	136.4	140.1	128.6	137.0
Corporations Reporting Net Profit ¹¹	SOI	1.01	121.6	158.4	158.4	p159.6	-
Unincorporated Businesses* with Net Profit ¹²	SOI	5.59	113.3	133.8	129.5	112.9	-
Net Corporations Income Tax Collections ¹³	IRS	\$32,829	123.7	196.8	186.2	149.9	112.8
Business Failures ¹⁴	D&B	0.01	106.4	109.2	156.3	r231.7	p291.5
Corporations Reporting Net Loss ¹¹	SOI	0.66	121.4	169.5	184.9	p200.5	-
Unincorporated Businesses* with Net Loss ¹²	SOI	1.73	138.3	203.6	214.3	300.4	-
Business Fixed Investment ¹⁵	BEA	\$33,900	89.4	227.1	264.6	174.0	131.6
Corporation Investment Tax Credit ¹⁶	SOI	\$866	746.0	1,744.1	2,181.1	p1,957.9	-
Depreciation Claimed on Corp. Tax Returns ¹⁷	SOI	\$52,941	163.0	297.2	351.7	p394.8	-

*Excluding farm sole proprietorships.

See notes on following page.

General notations

N/A - Not applicable

n.a. - Not available

p - Preliminary

r - Revised

Table 1

- [1] The 1981 data for interest and dividends are before exclusion. The combined amount of interest and dividends in adjusted gross income (after the exclusion) was \$178,097,705,000, reported on 34,144,410 returns.
- [2] Includes total itemized deductions, charitable contributions for non-itemizers, and zero bracket amounts on nonitemized returns.
- [3] Includes surcharge of \$2,018,078,000.
- [4] For 1981 only, this was the 1.25 percent rate reduction credit applicable to all returns with income tax before credits, as provided by the Economic Recovery Tax Act of 1981.

SOURCE: Statistics of Income--Individual Income Tax Returns, appropriate years. Tax law changes have affected the comparability of the data. See the specific Statistics of Income reports for a description of those law changes.

Table 2

- [1] For 1982, state figures are from the Individual Master File, adjusted to U.S. totals in Statistics of Income data.
- [2] Total returns filed include both taxable returns and returns without tax liability.
- [3] Average tax applies only to returns with tax liability. The number of returns with tax liability can be derived by dividing total tax by average tax.
- [4] In addition to the state figures shown, includes also number of returns filed by all U.S. citizens living abroad.
- [5] Number not considered reliable due to high sampling variability.

SOURCE: Statistics of Income--Individual Income Tax Returns, appropriate years. Tax law changes have affected the comparability of the data. See the specific Statistics of Income reports for a description of those law changes.

Table 3

- [1] Includes income tax after credits and the additional tax for tax preferences, i.e., minimum tax and alternative minimum tax.
- [2] For many taxpayers at this level, includes large amounts of additional tax for tax preferences.

SOURCE: Statistics of Income--Individual Income Tax Returns, appropriate years. Tax law changes have affected the comparability of the data. See the specific Statistics of Income reports for a description of those law changes.

Table 4

- [1] Includes breakeven businesses.

SOURCE: Statistics of Income--Sole Proprietorship Returns, appropriate years. Tax law changes have affected the comparability of the data. See the specific Statistics of Income reports for a description of those law changes.

Table 5

- [1] Total assets, total liabilities and partners capital accounts are somewhat understated because not all partnership returns filed contained a completed balance sheet.
- [2] Short-term debt is the abbreviated title given to mortgages, notes and bonds payable in less than 1 year.
- [3] Long-term debt is the abbreviated title given to mortgages, notes and bonds payable in 1 year or more. In addition, for Tax Year 1975 long-term debt included nonrecourse loans.
- [4] Beginning for 1982, this figure includes both interest and dividends.
- [5] Beginning for 1981, this figure was taken from Form 4562, which resulted in somewhat higher figures than reported for earlier years.

SOURCE: Statistics of Income--Partnership Returns, appropriate years. Tax law changes have affected the comparability of the data. See the specific Statistics of Income reports for a description of those law changes.

Table 6

- [1] Prior to 1979, balance sheets completed by partnerships which liquidated during the year were assigned to the "under \$25,000"

category regardless of asset size. Beginning in 1979, balance sheets of liquidating partnerships were treated in the same manner as all other balance sheets.

- [2] For 1981, a reduction in data available for receipts caused an increase in the number of returns arbitrarily assigned to the "under \$25,000" size class.

SOURCE: Statistics of Income--Corporation Income Tax Returns, appropriate years, Statistics of Income--Partnership Returns, appropriate years, and Statistics of Income--Sole Proprietorship Returns, appropriate years. Tax law changes have affected the comparability of the data. See the appropriate Statistics of Income reports for a description of those law changes.

Table 7

- [1] Consists of normal tax, surtax, and alternative tax for Tax Years 1970 through 1978, and regular tax and alternative tax for Tax Years 1979-1981.
- [2] The 109-percent increase by the regulated investment companies industry accounted for almost 62 percent of the increase from 1980 to 1981.

SOURCE: Statistics of Income--Corporation Income Tax Returns, appropriate years. Tax law changes have affected the comparability of the data. See the appropriate Statistics of Income reports for a description of those law changes.

Table 8

- [1] Net capital assets, except land, consisted of depreciable, depletable, and intangible assets less accumulated depreciation, depletion and amortization.
- [2] Short-term debt is the abbreviated title given to mortgages, notes and bonds payable in less than 1 year. Long-term debt is the abbreviated title given to mortgages, notes and bonds payable in 1 year or more.
- [3] Consists of normal tax, surtax, and alternative tax for Tax Years 1970 through 1978, and regular tax and alternative tax for Tax Years 1979-1981. Tax Year 1970 includes surcharge of \$784,437,000.

SOURCE: Statistics of Income--Corporation Income Tax Returns, appropriate years. Tax law changes have affected the comparability of the data. See the appropriate Statistics of Income reports for a description of those law changes.

Tables 9 and 10

- [1] Includes estimated tax payments or amounts withheld by employers prior to return filing, payments made with the return, and any subsequent payments.
- [2] Includes taxes imposed on selected products, services, and activities, such as those on alcohol and tobacco products and the windfall profit tax on domestically produced crude oil.
- [3] Includes payroll taxes levied on salaries and wages, such as social security, railroad retirement, and unemployment taxes.
- [4] Includes earned income credits refunded, amounting to \$1.3 billion.
- [5] Includes earned income credits refunded, amounting to \$1.2 billion.
- [6] Includes earned income credits refunded, amounting to \$11 million.
- [7] Includes earned income credits refunded, amounting to \$595 million.
- [8] Includes earned income credits refunded, amounting to \$531 million.

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

SOURCE: Internal Revenue Service, Returns Processing and Accounting Division, Revenue and Accounting Branch.

Table 11

- [1] Includes a one-time tax of 5 cents per gallon on gasoline and 4 cents per gallon on gasohol imposed on inventories of dealers as of April 1, 1983. Taxes on lubricating oil were repealed effective January 5, 1983.
- [2] Effective January 1, 1984, taxes on tubes and tread rubber were repealed, and dealers holding taxable tires were assessed a one-time floor stock tax.
- [3] Effective January 7, 1983, the excise taxes on parts and accessories for trucks and buses, which are included in this classification, were repealed. Beginning with the quarter ending December 1983, motor vehicles are excluded.
- [4] Special fuels, total includes diesel and special motor fuels which were classified as miscellaneous excise taxes in 1970.

Beginning with the quarter ending December 1983, motor vehicles are included.

[5] Effective January 1, 1983, the excise tax increased from 1 percent to 3 percent.

[6] The negative amounts are due to refunds of this tax under the United States - United Kingdom Income Tax Treaty, which provides for an exemption from the tax retroactive to January 1, 1975. Also, a similar United States - France treaty provides for an exemption retroactive to January 1, 1979.

[7] This amount reflects adjustments made for prior quarters.

NOTES: For 1970 and 1975, fiscal year was defined as July of the previous year through June of the year noted. For 1980, 1981, 1982, and 1983, fiscal year was defined as October of the previous year through September of the year noted.

Additional detail is published in the Annual Report of the Commissioner of Internal Revenue.

SOURCE: Internal Revenue Service, Returns Processing and Accounting Division, Revenue and Accounting Branch.

Table 12

[1] Includes Forms 1040C, PR and SS.

[2] Form 1120A will be introduced in 1985.

[3] Includes Form 1041A in 1970 and 1975.

[4] Includes Form 990A in 1970.

SOURCE: Internal Revenue Service, Research Division, Projections and Forecasting Group.

Table 13

[1] U.S. Department of Commerce, Bureau of the Census, The 1984 Economic Report of the President, Table B-28.

[2] Exemptions reported on individual income tax returns. Does not include additional exemptions allowed for a taxpayer or spouse age 65 or over, blind, or both. Statistics of Income--Individual Income Tax Returns, appropriate years.

[3] Wage and salary workers in all industries and government, as well as the self-employed. U.S. Department of Labor, Bureau of Labor Statistics, The 1984 Economic Report of the President, Table B-30.

[4] Includes Forms 1040, 1040A, and 1040EZ. Statistics of Income--Individual Income Tax Returns, appropriate years.

[5] Incomes received by persons in the form of wages and salaries, proprietary incomes, rents, dividends, and interest, as well as social security benefits, unemployment compensation and other government transfer payments. U.S. Department of Commerce, Bureau of Economic Analysis, The 1984 Economic Report of the President, Table B-22.

[6] Income tax after credits. Includes additional tax for tax preferences. Statistics of Income--Individual Income Tax Returns, appropriate years.

[7] Contributions made by employers and employees to the social security system and contributions made to state and local government employee pension funds. Ibid., Table B-20.

[8] The global measure of the level of economic activity for the United States. Ibid., Table B-1.

[9] Same as Note 8, except corrected for inflation. Ibid., Table B-2.

[10] An index number measuring the Nation's physical volume of output of manufacturing, mining, and utility industries. Board of Governors of the Federal Reserve System, The 1984 Economic Report of the President, Table B-42.

[11] Based on the number of returns of active corporations. The number of Forms 1120-DISC and Forms 1120S filed, respectively, by Domestic International Sales Corporations and Small Business Corporations for which an election was made to be taxed through stockholders are included. Statistics of Income--Corporation Income Tax Returns, appropriate years.

[12] Based on number of partnership returns filed and Schedule C's filed with the individual income tax returns of sole proprietors. Statistics of Income--Partnership Returns, appropriate years, and Statistics of Income--Sole Proprietorship Returns, appropriate years.

[13] Corporation income taxes collected less refunds. Annual Report of the Commissioner of Internal Revenue, appropriate years.

[14] A measure of failures of commercial and industrial businesses, excluding railroads, banks and other financial busi-

nesses, steamship lines, and travel agencies. Dun & Bradstreet, Inc. Historical data can be found in The 1984 Economic Report of the President, Table B-91.

- [15] Total spending for factories and other business structures and for producers durable equipment. U.S. Department of Commerce, Bureau of Economic Analysis, The 1984 Economic Report of the President, Table B-15.

- [16] Reduction of income tax allowed corporations for investment in qualifying depreciable (or amortizable) property with a useful life of at least 3 years. Statistics of Income--Corporation Income Tax Returns, appropriate years.

- [17] Depreciation deducted as a reasonable allowance for the exhaustion, wear and tear, and obsolescence of business property allowable under Internal Revenue Code section 167. Ibid.

Appendix

General Description of Statistics of Income Sample Procedures and Data Limitations

This appendix discusses typical sampling procedures used in most Statistics of Income (SOI) programs. Aspects covered briefly include sampling criteria, selection techniques, methods of estimation, and sampling variability. Some of the nonsampling error limitations of the data are also described, as well as the tabular conventions employed.

Additional information on sample design and data limitations for specific SOI studies can be found in the separate SOI publications (see References). More technical information is available, upon request, from the Statistics of Income Division.

SAMPLE CRITERIA AND SELECTION OF RETURNS

Statistics compiled for the SOI studies are generally based on stratified probability samples of income tax returns or other forms filed with the Internal Revenue Service (IRS). The statistics do not reflect any changes made by the taxpayer through an amended return or by the IRS as a result of an audit. The samples are based on such criteria as: principal business activity; presence or absence of a schedule; State from which filed; size of adjusted gross income (or deficit) or largest of specific income (or loss) items; total assets or size of business and farm receipts.

The probability of a return being designated depends on its sample class or stratum and may range from a fraction of one percent to one hundred percent. Considerations in determining the selection probability for each stratum include the number of returns in the stratum, the diversity of returns in the stratum, and interest in the stratum as a separate subject of study. All this is subject to constraints on the allowable total cost or total sample size for the program.

For most SOI studies, returns are computer designated based on the Taxpayer Identification Number (TIN) which is either the Social Security Number (SSN) or Employer Identification Number (EIN). In some cases, the ending digits of each TIN are compared to a set of numbers randomly selected for each sample class. If the TIN ending digits are in the set, then the return is designated for the sample. Otherwise, it is not designated.

Alternatively, a fixed and essentially random number is associated with each possible TIN. If that random number falls into a range of numbers specified for the return's sample stratum, then it is designated. Otherwise, it is not.

Under either method of selection, the TIN's designated from one year's study are for the most part selected for the next study, so that a large proportion of the new sample are repeaters. This longitudinal character of the sample design improves the estimates of change from one study to the next.

METHOD OF ESTIMATION

In general, weighting factors are obtained by dividing the computer count of returns filed for a sample stratum by the actual number of returns secured for the sample. These weighting factors are then used to inflate the sample results to total population levels. During sampling, lists of the returns designated are checked against the returns secured for the sample to insure that the sample designated is the same as the sample selected. Special searches are made for returns not initially secured so that any bias from nonresponse is minimal.

For the individual income tax returns sample, weighting factors are computed for each sample class within each Internal Revenue district, even though the district is not used to designate the sample. This is an example of post-stratified estimation and is used to improve the estimates for the States. Usage of post-stratified estimation is being studied for other SOI studies.

SAMPLING VARIABILITY

The particular sample used in a study is only one of a large number of possible random samples that could have been selected using the same sample design. Estimates derived from the different samples would usually vary. The standard error of the estimate is a measure of the variation among the estimates from all possible samples and is used to measure the precision with which an estimate from a particular sample approximates the average result of the possible samples. The sample estimate and an estimate of its standard error permit the construction of interval estimates with prescribed confidence that this interval includes the actual population value.

In SOI reports the standard error is not directly presented. Instead, the ratio of the standard error to the estimate itself is presented in decimal form. This ratio is called the coefficient of variation (CV). The user of SOI data may multiply an estimate by its coefficient of variation to recreate the standard error and to construct confidence intervals.

For example, if a sample estimate of 150,000 returns is known to have a coefficient of variation of 0.02, then the following arithmetic procedure would be followed to construct a 68% confidence interval estimate:

150,000	(sample estimate)
x 0.02	(coefficient of variation)
= 3,000	(standard error of estimate)
150,000	(sample estimate)
+ 3,000	(standard error)
= 147,000 - 153,000	(68% confidence interval)

Based on these data, the interval estimate is from 147

to 153 thousand returns. A conclusion that the average estimate of the number of returns lies within an interval computed in this way would be correct for approximately two-thirds of all possible similarly selected samples. To obtain this interval estimate with 95% confidence, multiply the standard error by two before adding to and subtracting from the sample estimate. (In this particular case, the resulting interval would be from 144 to 156 thousand returns.)

Further details concerning confidence intervals, including the approximation of CV's for combined sample estimates, may be obtained on request by writing to the Statistics of Income Division, D:R:S, Internal Revenue Service, Washington, DC 20224.

NONSAMPLING ERROR CONTROLS AND LIMITATIONS

Although the previous discussion focuses on sampling methods and the limitations of the data caused by sampling errors, there are other sources of errors which may be significant in evaluating the usefulness of SOI data. These include taxpayer reporting errors, processing errors, early cut-off of sampling, etc. More extensive information on nonsampling errors is presented in SOI reports, when appropriate.

In transcribing and tabulating the information from the returns or forms selected for the sample, checks are imposed to improve the quality of the resultant estimates. Missing entries are inputted during statistical processing by utilizing other information on the return and accompanying schedules. Data may be disaggregated and recombined during editing to achieve consistent statistical definitions. In the future, SOI studies will make use of earlier returns of the same taxpayer to check current data, for instance the industry code. Also, research on better methods of imputing missing data is being conducted.

Quality of the basic data abstracted at the processing centers is controlled by a continuous sampling verification system. In addition, the Statistics of Income Division in the National Office conducts an independent reprocessing of a small subsample of statistically processed returns as a further check. Prior to tabulation, numerous computer tests are applied to each return record to check for inconsistencies.

Finally, before publication, all statistics are reviewed for accuracy and reasonableness in light of provisions of the tax laws, taxpayer reporting variations and limitations, economic conditions, comparability with other statistical series, and statistical techniques used in data processing and estimating.

TABULAR CONVENTIONS

Estimates of frequencies and money amounts that are considered unreliable, due to the small sample size on which they are based, are noted by an asterisk (*) to the left of the data item(s) in the tabulations. The presence of an asterisk indicates that the sample rate is less than 100 percent of the population and there are fewer than 10 sample observations available for estimation purposes.

A dash in place of a frequency or amount indicates that no sample return had that characteristic. In addition, a dash in place of a coefficient of variation for which there is an estimate indicates that all returns contributing to the estimate were selected at the 100 percent rate.

Whenever a weighted frequency in a data cell is less than 3, the estimate is either combined with other cells or deleted in order to avoid disclosure of information about individual taxpayers or businesses. These combinations and deletions are indicated by a double asterisk (**).

REFERENCES

- [1] Statistics of Income--1981, Individual Income Tax Returns (see especially pages 11-13).
- [2] Statistics of Income--1981, Corporation Income Tax Returns (see especially pages 9-15).
- [3] Statistics of Income--1980, Partnership Returns (see especially pages 5-7).
- [4] Statistics of Income--1981, Sole Proprietorship Returns (see especially pages 5-9).
- [5] Statistics of Income--1976-1979, International Income and Taxes, Foreign Income and Taxes Reported on U.S. Tax Returns (see especially pages 13-15 and 85-87).
- [6] Statistics of Income--1973, Sales of Capital Assets Reported on Individual Income Tax Returns (see especially pages 17-20).
- [7] Statistics of Income--1976 Estate Tax Returns (see especially pages 11-12).
- [8] Statistics of Income--1974-1978, Private Foundations (see especially pages 9-16).

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- ☐ Estate Tax Returns, 1983 ☐ Nonresident Alien Income and Tax, 1982 ☐ Crude Oil Windfall Profit Tax
☐ Projections of Returns ☐ Controlled Foreign Corporations, 1980 ☐ Selected Statistical Series

4. Which table(s) in the Selected Statistical Series did you find helpful to your needs?

- ☐ Individual income tax returns ☐ Business returns ☐ Classes of excise taxes
☐ Income and tax data by state ☐ Corporation industry statistics ☐ Number of returns filed
☐ Individual average tax rates ☐ Corporation income tax returns ☐ Demographic and economic indexes
☐ Sole proprietorship returns ☐ Gross Internal Revenue collections
☐ Partnership returns ☐ Internal Revenue refunds

5. If microdata files on computer tape were available in these subject matter areas, would you be interested in purchasing them?

- ☐ Yes ☐ No

If yes, which area(s)? (Specify) _____

6. How would you describe the useability of the text?

- ☐ Too technical ☐ About right
☐ Not detailed enough ☐ Did not use text

7. What type of organization are you connected with?

- ☐ Federal government ☐ Consulting firm
☐ State or local government ☐ Accounting firm
☐ Trade association ☐ University or college
☐ Other nonprofit organization ☐ Legal firm
☐ Other (Specify) _____

8. What changes (additions, deletions, alterations) would you like to see in the contents or format of this publication?

9. Other comments (Use other side if needed.)

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Regular Statistics of Income Reports

Statistics of Income (SOI) Bulletin (Quarterly) Publication 1136

Presents information on—

Corporation income tax
returns (preliminary)
Employee benefit plans
Estate tax returns
Exempt organizations
Foreign income and taxes
Individual income tax
returns (preliminary)

Nonresident alien
income and tax
Partnership returns
Personal wealth
Projections of returns
to be filed

Sales of capital assets
Sole proprietorship
returns
Superfund for environmental taxes
Underground economy
Windfall profit tax

Historical statistics—
Individual income tax returns
Nonfarm sole proprietorship returns
Partnership returns
Corporation income tax returns
Internal Revenue collections
Types of returns filed

Individual Income Tax Returns Publication 79

Presents information on—

Sources of income
Adjusted gross income
Adjustments to income
Itemized deductions

Exemptions
Taxable income
Income tax
Tax credits

Income tax withheld
and estimated tax
payments
Tax due and overpayment
refunded

Data classified by—
Size of adjusted gross income
States
Taxpayer's marital status and sex
Taxpayers age 65 or over

Corporation Income Tax Returns Publication 16

Presents information on—

Receipts
Deductions
Net income

Taxable income
Income tax

Tax credits
Distributions to stockholders
Assets and liabilities

Data classified by—
Industry; Accounting period
Size of total assets
Size of business receipts

Other Information Available

All the items listed below, as well as other unpublished or special tabulations from the STATISTICS OF INCOME PROGRAM, are available on a cost-reimbursable basis. Further details, including ordering information, can be obtained by writing to: Director, Statistics of Income Division D:R:S, Internal Revenue Service, 1111 Constitution Avenue, N.W., Washington, D.C. 20224. Tape files indicated with an (A) are available (on a reimbursable basis) through the Machine Readable Archives Division (NRR) of the National Archives and Records Service, Washington, D.C. 20408.

Corporation Source Book

Presents detailed income and balance sheet data classified by industry and size of total assets. A general description is available upon request.

Small Area Data

Data on individual income tax returns, exemptions, and adjusted gross income are presented by State, county, and SMSA. Also, the number of persons who moved from one location to another based on addresses shown on the returns. A general description is available upon request.

Public-Use Tape Files

Continuing

Individual Tax Model, 1966-78 (A), 1979-81
Corporation Source Book, 1965-76 (A), 1977-81
Estate Tax Returns, 1972, 1976
Private Foundations, 1974 (A), 1979
Sole Proprietorships, 1980

New Migration Data

County Data, 1980-82, 1982-83
Area to Area Flow Data, 1978-80, 1980-81

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 - 1981, *Winter 1983-84* (3-3)
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