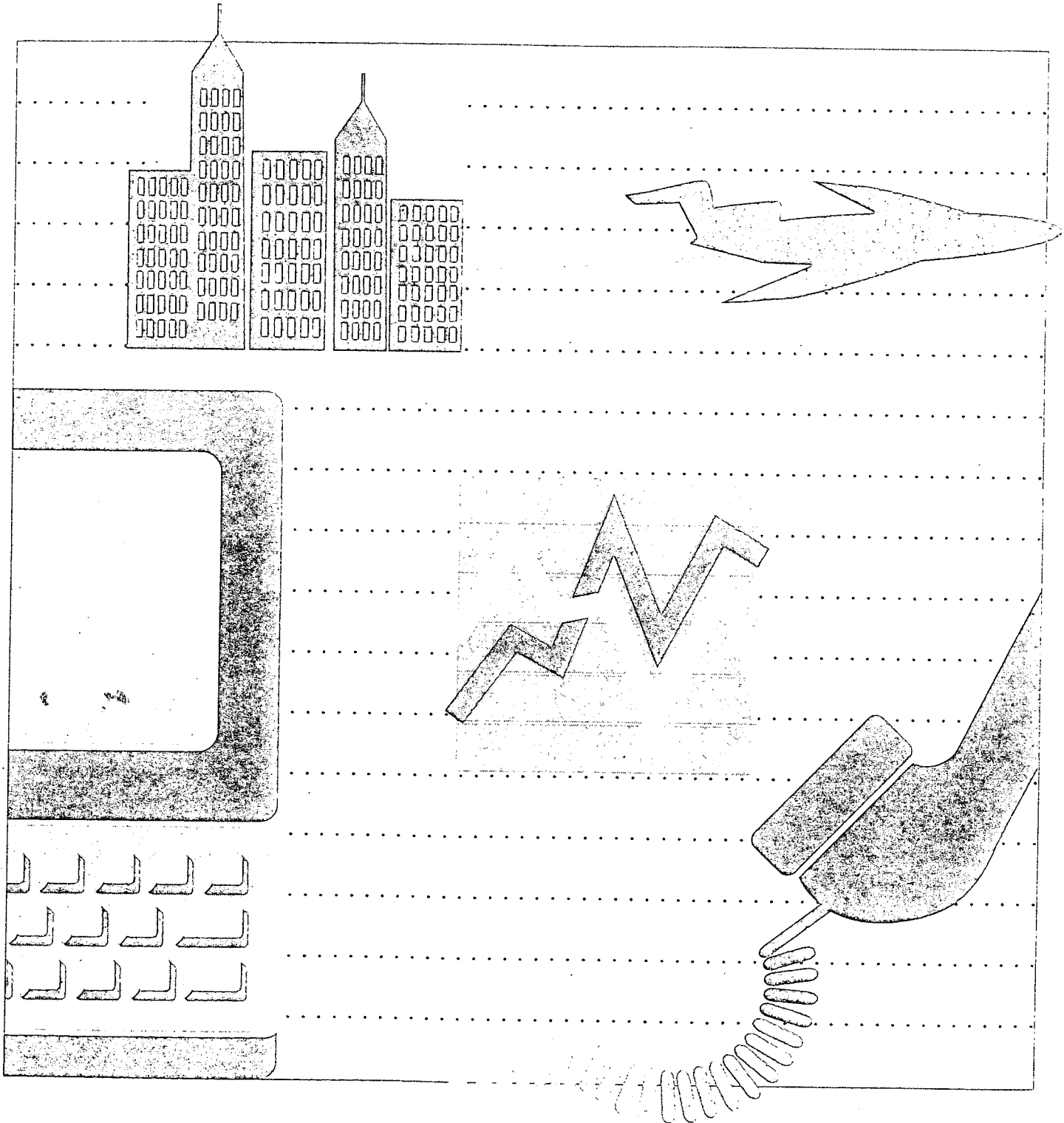


1992

Statistics
of Income

Corporation Income Tax Returns



1992

Statistics of Income

Corporation Income Tax Returns

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This report contains data by industry on assets, liabilities, receipts, deductions, net income, income subject to tax, tax, and credits. Data are also classified by size of total assets, by size of business receipts, and by size of income tax after credits. Other classifications include returns with net income, return types, and other selected subjects.

More detailed statistics for the industries shown in table 1 of this report are available in Publication 1053, *Source Book of Statistics of Income - 1992*. A general description of the Source Book, including ordering information, is available from the Director, Statistics of Income Division, CP:R:S, Internal Revenue Service, P.O. Box 2608, Washington, DC 20013-2608.

In addition, special Statistics of Income tabulations based on corporation income tax returns for 1992 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.

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The following Statistics of Income reports and tapes can be purchased from Statistics of Income Division (unless otherwise indicated). Prepayment is required, with checks made payable to the IRS Accounting Section. Please write:

Director
Statistics of Income Division (CP:R:S)
Internal Revenue Service
P. O. Box 2608
Washington, DC 20013-2608.

COMPENDIUMS

Studies of Tax-Exempt Organizations, 1974-1987

Publication 1416 - Price \$26.00

This publication presents 22 articles from Statistics of Income studies on tax-exempt organizations. The articles emphasize important issues within the nonprofit sector, and also include several other articles previously unpublished in the *SOI Bulletin*, as well as papers published in proceedings of the American Statistical Association and the Independent Sector Research Forum. Topics featured are:

- nonprofit charitable organizations (primarily charitable, educational, and health organizations);
- private foundations and charitable trusts; and
- unrelated business income of exempt organizations.

Studies of Tax-Exempt Organizations, 1986-1992

Publication 1416 - Price \$26.00

This is the second volume in a series of Statistics of Income (SOI) publications on tax-exempt, nonprofit

organizations. The volume includes data covering 1986-1992 and contains 12 previously-published articles from SOI studies, including articles from the *SOI Bulletin*, as well as papers prepared for the *Journal of Nonprofit Management and Leadership*, *Trusts and Estates*, the Independent Sector Research Forum, the National Research Council's Committee on National Statistics, and the American Statistical Association.

Studies of International Income and Taxes, 1984-1988

Publication 1267 - Price \$26.00

This report presents information from 13 Statistics of Income studies in the international area (many of them previously published in the *SOI Bulletin*), including:

- foreign activity of U.S. corporations;
- activity of foreign corporations in the United States;
- foreign controlled U.S. corporations;
- statistics related to individuals, trusts, and estates; and
- data presented by geographical area or industrial activity, as well as other classifiers.

Compendium of Federal Estate Tax and Personal Wealth Studies

Publication 1773 - \$26.00

Part I of this report focuses on data from estate tax returns, describing decedents, their beneficiaries, and the composition of their estates. It contains a methodological discussion of the strategy used in weighting the sample data for the estate studies and also statistics on selected components of decedents' estates, 1916-1990. Information on charitable giving is also included.

Part II presents a series of articles describing the estate-multiplier technique and its applications for personal wealth estimates, estimates of personal wealth for selected years, 1962-1989, as well as a discussion of the relationship among realized income, wealth, and well-being.

REIMBURSABLE SERVICES

Corporation Source Book, 1992

Publication 1053 - Price \$175

This 495-page document presents detailed income state-

Publications & Tapes

ment, balance sheet, tax, and selected other items, by major and minor industrial groups and size of total assets, for all returns and separately for returns with net income. The report, which underlies the *Statistics of Income--Corporation Income Tax Returns* publication, is part of an annual series and can be purchased in its entirety or by page. (The Source Book is also available on 35mm microfilm for \$175.00. Issues prior to 1982 are for sale at \$150 per year.) A magnetic tape or diskette containing the tabular statistics for 1992 can be purchased for \$1,500.

Public-Use Magnetic Tape Microdata Files

(Price depends on the request.)

This includes individual income tax returns for 1979-1992. A limited number of files for 1989 are also available on CD-ROM. (Individual income tax returns for 1966-1978 are available for sale by writing to the Center for Electronic Records (NNX) of the National Archives and Records Administration, Washington, DC 20408.) Files containing more limited data for each State are also available for 1985 and 1988. All of these files have been edited to protect the confidentiality of individual taxpayers. Files for private foundations for 1982-1983 and 1985-1991 and nonprofit charitable organizations for 1982-1983 and 1985-1990 are also available from Statistics of Income. The individual, private foundation, and charitable organization files are the only microdata files that can be released to the public.

Migration Data

(Price depends on the request.)

Compilations are available showing migration patterns, from where to where, by State and county, based on year-to-year changes in the individual income tax return address. Data are also available for selected time periods (according to the years in which the returns were filed) between 1978 and 1993 and include counts of the number of returns and the number of personal exemptions (which can be used to approximate population). Tabulations are available as hard copy for all years, on magnetic tape for all years except 1983, and diskette starting with 1989. (Compilations showing State-to-State migration flows only are also accessible through the SOI electronic bulletin board starting with 1988; see next page.)

County Income Data

(Price depends on the request.)

Tables present adjusted gross income by source and number of personal exemptions (which can be used to approximate population) reported on individual income tax returns for Income Years 1982 and 1984 through 1992. Data are available as hard copy or on magnetic tape for each year, or on diskette starting with 1988. (County income data starting with 1990 are available on the SOI electronic bulletin board; see next page.)

ZIP Code Area Data

(Price depends on the request.)

Recent statistics are available for Income Year 1991 only, either on computer tape or diskette, showing the number of individual income tax returns, the number of personal exemptions (which can be used to approximate population), adjusted gross income, and income tax, by 5-digit ZIP Code.

OTHER UNPUBLISHED TABULATIONS

(Price depends on the request.)

Unpublished tabulations are also available, including detailed tables underlying those published in the *SOI Bulletin*. Special tabulations may also be produced, depending on the availability of resources.

OTHER PUBLICATIONS

The following Statistics of Income publications are available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC, by calling (202) 512-1800. The reports may also be obtained by using the order form following this section or write:

Superintendent of Documents
P. O. Box 371954
Pittsburgh, PA 15250-7954

If you determine from the Government Printing Office that any of the next three items is out-of-print, please telephone the Statistical Information Services Office on (202) 874-0410, for assistance.

Publications & Tapes

Statistics of Income (SOI) Bulletin

Quarterly Publication 1136, Stock No. 748-005-00000-5
Subscription price, \$26.00; Single copy price, \$14.00

This series provides the earliest published financial statistics from individual and corporation income tax returns. The *Bulletin* also includes annual data on nonfarm sole proprietorships and on partnerships, as well as from periodic or special studies of particular interest to tax analysts and administrators and to economists. Historical tables include data from SOI, as well as on tax collections and refunds by type of tax.

Statistics of Income - 1991, Corporation Income Tax Returns

Publication 16, Stock No. 048-004-02322-6
Price \$20.00

This report presents data on corporation income tax returns with accounting periods that ended July 1990 through June 1991, that are more comprehensive than those published earlier in the *SOI Bulletin*.

Presents information on:

- receipts;
- deductions;
- net income;
- taxable income;
- income tax;
- tax credits;
- assets; and
- liabilities.

Data are classified by:

- industry;
- accounting period;
- size of total assets; and
- size of business receipts.

Statistics of Income - 1992, Individual Income Tax Returns

Publication 1304, Stock No. 048-004-02334-2
Price \$14.00

This report presents more comprehensive and complete data on individual income tax returns for 1992 than those published earlier in the *SOI Bulletin*.

Presents information on:

- sources of income;
- exemptions;

Data are presented by:

- size of adjusted gross income; and

- itemized deductions; and
- marital status.
- tax computations.

The following Statistics of Income publication is available from Statistics of Income Division by writing to the Director at the address shown at the beginning of this section.

Turning Administrative Systems Into Information Systems--1994

Publication 1299 - Free of Charge

This report is the third edition of the IRS' methodology reports series, which documents technological and methodological changes in Statistics of Income programs and other related statistical uses of administrative records. Previous volumes in the series were called *Statistics of Income and Related Administrative Record Research*. Topics featured are:

- overview of SOI;
- some results from the use of administrative records;
- balancing privacy and efficiency;
- issues in sample design and estimation;
- record linkage;
- nonresponse trends in government surveys;
- innovations in imputation methodology;
- quality improvement efforts; and
- data preparation techniques.

SOI ELECTRONIC BULLETIN BOARD

Since June 1992, over 850 files have been added to the SOI electronic bulletin board system (BBS) and are available for access. They include data from recent *SOI Bulletin* publications for returns covering individuals, corporations, partnerships, sole proprietorships and estates. The BBS also contains files on personal wealth and international topics, such as foreign tax credits and Controlled Foreign Corporations, as well as tax collections and refunds from the IRS administrative system.

Electronic Bulletin Board Numbers:

(202) 874-9574 (Analog - Most Users)

Systems Administrator: Jim Willis (202) 874-0277

Systems Coordinator: Jim Hobbs (202) 874-0268.

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Guide to Tables

This report contains 25 basic tables. The major classification is industrial activity. This guide provides a reference for the major selected items and subjects available in the report. See pages 15 and 16 to determine the appropriate page number(s) for specific tables.

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Corporation Returns/1992 • Guide to Tables

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Section 1

Introduction

This report presents statistics based on a stratified random sample of approximately 81,000 unaudited returns selected from the nearly 4 million active corporate returns filed for the 1992 Income Year (defined to include accounting periods ended July 1992 through June 1993).

The report is divided into 6 sections. The first section provides statistics summarizing overall corporate activity for Income Year 1992. Section 2 discusses changes in law and regulations between this report and that for Income Year 1991. Section 3 describes in detail the sample of income tax returns upon which the statistics were based, as well as the method of estimation used, the sampling variability of the data, and other limitations.

Section 4 presents basic tables that contain detailed statistics on 1992 assets, liabilities, receipts, deductions, net income, income tax liability, tax credits, and other financial data. These statistics are presented by industry, asset size, business receipts size, accounting period ended, and other selected classifiers. Section 5 contains detailed explanations of the terms used in the report. In most instances, the explanations include definitions of terms used as well as adjustments made in preparing the statistics and any limitations inherent in the data. Section 6 consists of the return forms and instructions.

The statistics in this report (which provides detailed information featured by major industries and industrial divisions by specific categories) differs from the 1992 Corporation Source Book of Statistics of Income (which provides information by minor and major industries by size of total assets for balance sheet, income statement, tax, and selected other items). This report also provides additional detail on the data contained in Corporation Income Tax Returns, 1992 in the Statistics of Income Bulletin, Volume 15, Number 1, Summer 1995. [1]

Overall Corporate Summary

Figure A presents corporation summary statistics for Income Years 1991 and 1992 for number of returns, total assets, total receipts, net income (less deficit), income subject to tax, total income tax, and total income tax after credits. The total number of returns increased 1.7 percent from 1991 to 1992.

Janice Washington was responsible for the overall production and the text for sections 1, 2, and 5 as well as the tables for section 4. This report was prepared under the direction of Ken Szefflinski, Chief, Corporation Returns Analysis Section.

Total assets reached a new high of \$20 trillion which was an increase of 5.1 percent from the prior year. Total receipts rose 2.7 percent from \$11.4 trillion to \$11.7 trillion.

Net income (less deficit) grew 16.6 percent (which was the largest percentage increase of these selected items) from \$344.9 billion to \$402.0 billion from 1991 to 1992. This was a reversal from the declines in 1990 and 1991. Income subject to tax also had a reversal from 1990 to 1991 and increased 8.0 percent from 1991 to 1992 reaching \$377.9 billion. Total income tax rose 8.4 percent above the amount for 1991 going from \$121.1 billion to \$131.3 billion. Total income tax after credits increased 9.7 percent from \$92.6 billion to \$101.5 billion.

The number of returns with total assets of \$250 million or more represented less than one percent of the total number of returns and 81.9 percent of total assets compared to 81.2 percent for 1991. These 6,269 returns for 1992 accounted for 55.2 percent of the total receipts; 78.5 percent of net income (less deficit); 76.8 percent of income subject to tax; 78.5 percent of total income tax; and 74.8 percent of total income tax after credits.

Activities Covered

The estimates in this report encompass corporate business activities in the United States as well as certain foreign activities as reported on returns of domestic corporations, and foreign corporations with U.S. business activities. The term domestic corporations refers to companies incorporated in the United States, but does not necessarily imply that all their activities are domestic. For instance, data for a U.S. corporation conducting business abroad through foreign subsidiaries may include dividends remitted from those subsidiaries and, to a certain extent, their undistributed earnings. The effect of foreign activity on the statistics varies by type of industry and by size of assets. Income from foreign activity is reflected to a greater extent in manufacturing industries than other industries. Also, foreign activity is almost totally concentrated among returns with assets of \$250 million or more. [2] For foreign corporations (defined as those incorporated abroad) engaged in trade or business in the United States, only income that was considered effectively connected with the conduct of a trade or business in the United States was included in the statistics and any investment income from U.S. sources was excluded from the data. Most foreign corporations are concentrated in the finance, insurance, and real estate industries. Other foreign corporations, incorporated abroad and not engaged in trade or business in the United States, were liable for tax only on

Corporation Returns/1992 - Introduction

Figure A.-- Returns of Active Corporations: Number of Returns, Total Assets, Total Receipts, Net Income (Less Deficit), Income Subject to Tax, Total Income Tax, Total Income Tax After Credits by Size of Total Assets, Income Years 1991 and 1992

(All figures are estimates based on samples--money amounts are in thousands of dollars and size of total assets are in whole dollars)

Year and size of total assets	Number of returns	Total assets	Total receipts	Net income (less deficit) ¹	Income subject to tax ²	Total income tax ³	Total income tax after credits ⁴
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1991							
Total.....	3,802,788	19,029,508,839	11,436,474,767	344,859,794	350,009,712	121,121,231	92,566,319
Zero assets.....	213,340		171,630,701	949,507	4,608,532	1,362,849	1,107,434
\$1 under \$100,000.....	1,963,525	60,831,833	343,585,144	120,968	1,965,682	322,162	312,345
\$100,000 under \$250,000.....	629,829	102,269,942	313,008,384	1,325,272	3,259,536	561,866	544,730
\$250,000 under \$500,000.....	376,585	133,398,224	326,731,486	1,218,923	3,888,191	771,038	750,558
\$500,000 under \$1,000,000.....	258,942	183,078,016	397,472,192	2,284,334	4,577,770	1,003,751	968,512
\$1,000,000 under \$5,000,000.....	267,503	558,017,320	1,174,352,977	7,988,035	11,859,370	3,614,825	3,458,630
\$5,000,000 under \$10,000,000.....	37,995	264,101,157	497,549,938	4,674,078	5,935,347	2,041,996	1,935,290
\$10,000,000 under \$25,000,000.....	24,631	383,658,181	563,361,101	6,704,013	8,690,360	3,047,017	2,819,044
\$25,000,000 under \$50,000,000.....	11,009	389,027,738	393,954,387	7,161,796	9,145,163	3,227,426	2,915,160
\$50,000,000 under \$100,000,000.....	7,516	533,131,086	393,687,262	8,230,729	10,440,637	3,690,175	3,266,933
\$100,000,000 under \$250,000,000..	5,982	962,808,364	591,529,448	18,512,359	20,327,939	7,373,147	6,075,433
\$250,000,000 or more.....	5,933	15,459,186,978	6,269,611,748	285,689,781	265,311,186	94,104,978	68,412,250
1992							
Total.....	3,869,023	20,002,093,972	11,742,134,729	401,997,022	377,899,601	131,284,690	101,532,379
Zero assets.....	245,100		144,994,388	-264,490	3,942,510	1,427,799	1,379,724
\$1 under \$100,000.....	1,986,072	61,308,230	363,567,430	2,009,018	2,139,631	365,543	357,410
\$100,000 under \$250,000.....	628,341	101,333,879	311,445,940	2,754,358	3,102,563	544,512	534,403
\$250,000 under \$500,000.....	384,301	136,392,501	332,737,946	3,389,118	3,589,208	675,042	650,318
\$500,000 under \$1,000,000.....	260,281	183,335,866	394,206,237	3,821,372	4,681,250	1,052,918	1,024,438
\$1,000,000 under \$5,000,000.....	270,840	566,301,331	1,209,909,710	14,453,470	12,180,123	3,702,027	3,531,539
\$5,000,000 under \$10,000,000.....	38,176	264,805,890	515,844,822	7,757,364	6,048,333	2,098,826	1,999,553
\$10,000,000 under \$25,000,000.....	24,544	382,562,892	590,604,860	11,809,955	9,311,660	3,296,358	3,047,433
\$25,000,000 under \$50,000,000.....	11,153	396,551,507	409,095,068	8,169,761	9,431,343	3,321,685	3,013,522
\$50,000,000 under \$100,000,000.....	7,720	546,183,678	389,452,190	11,092,294	12,323,125	4,356,690	3,768,620
\$100,000,000 under \$250,000,000..	6,227	983,424,801	595,787,671	21,435,618	21,027,646	7,436,981	6,314,982
\$250,000,000 or more.....	6,269	16,379,893,397	6,484,488,468	315,569,184	290,122,210	103,006,310	75,910,437

¹Includes taxable income before net operating loss deduction and special deductions.

²Includes taxable income less net operating loss deduction and special deductions.

³Includes regular tax, personal holding company tax, recapture of investment credit, alternative minimum tax, environmental tax, excess net passive income tax (Form 1120S); branch tax (Form 1120F); taxes from Parts II, III, and IV (Form 1120-REIT, tax from line 4, Part II (Form 1120-RIC), and adjustments to income tax and to total tax.

⁴Credits include foreign tax, U.S. possessions tax, orphan drug, nonconventional source fuel, general business, and prior-year minimum tax credits.

Note: Detail may not add to total because of rounding and the deletion of data. See text for "Explanation of Terms" and Description of the Sample and Limitations of the Data."

investment income from U.S. sources, and these returns were excluded from this report. [3]

Section 6102 of the Internal Revenue Code required that all corporations in existence at any time during the income year file returns, regardless of whether they had income or not. This applied to active and inactive domestic corporations unless they were expressly exempt from filing, as well as to active foreign corporations with insufficient taxes withheld at the source to satisfy their U.S. tax liability on income earned in the United States. However, inactive corporations have been excluded from these statistics. See Section 3 for more information on the sample.

In addition to legally defined corporations, the Internal Revenue Code recognized many types of businesses as corporations including: joint stock companies, unincorporated associations, such as business trusts, savings and loan associations, certain partnerships, mutual savings banks, and cooperative banks. These organizations possess characteristics typical of the corporate form, such as continuity of life,

centralization of management apart from ownership, limited liability of owners, and transferability of shares of capital ownership.

Included in the statistics are financial data estimated from the following number of active corporation tax returns:

Form 1120 (U.S. Corporations)	1,782,933
Form 1120-A (U.S. Short-Form Corporations)	280,697
Form 1120S (U.S. S Corporations) [4]	1,785,371
Form 1120L (U.S. Life Insurance Companies) ¹	1,959
Form 1120-PC (U.S. Property and Casualty Insurance Companies)	2,475
Form 1120-REIT (U.S. Real Estate Investment Trust)	293
Form 1120-RIC (U.S. Regulated Investment Companies)	5,842
Form 1120F (U.S. Returns of Foreign Corporations) ¹	9,452
Total	3,869,023

¹Foreign Life Insurance Companies file on Form 1120L, but are counted in Form 1120F on this table. However, the foreign life insurance returns are included in the life insurance industry in Table 1.

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

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In addition, the following types of returns are specifically excluded from the statistics: inactive corporations; foreign corporations with no income effectively connected with a U.S. trade or business; information returns of certain joint undertakings; returns filed by General Stock Ownership Corporations (corporations established by a state for the benefit of the residents of a state); information returns reporting not tax because of a tax treaty or convention under Code section 894; nonprofit corporations (educational, charitable, and similar organizations) exempt from income tax under Code section 501; insurance companies except life (including interinsurer and reciprocal underwriters), if the net written premiums for the taxable year do not exceed \$350,000, which were exempt from income tax under Code section 501; foreign sales corporations (section 922); interest charge domestic international sales corporation (section 992); returns filed by political organizations under Code section 527; fund set up to pay for nuclear decommissioning costs (section 468A); designated settlement fund (section 468B); and condominium management association or

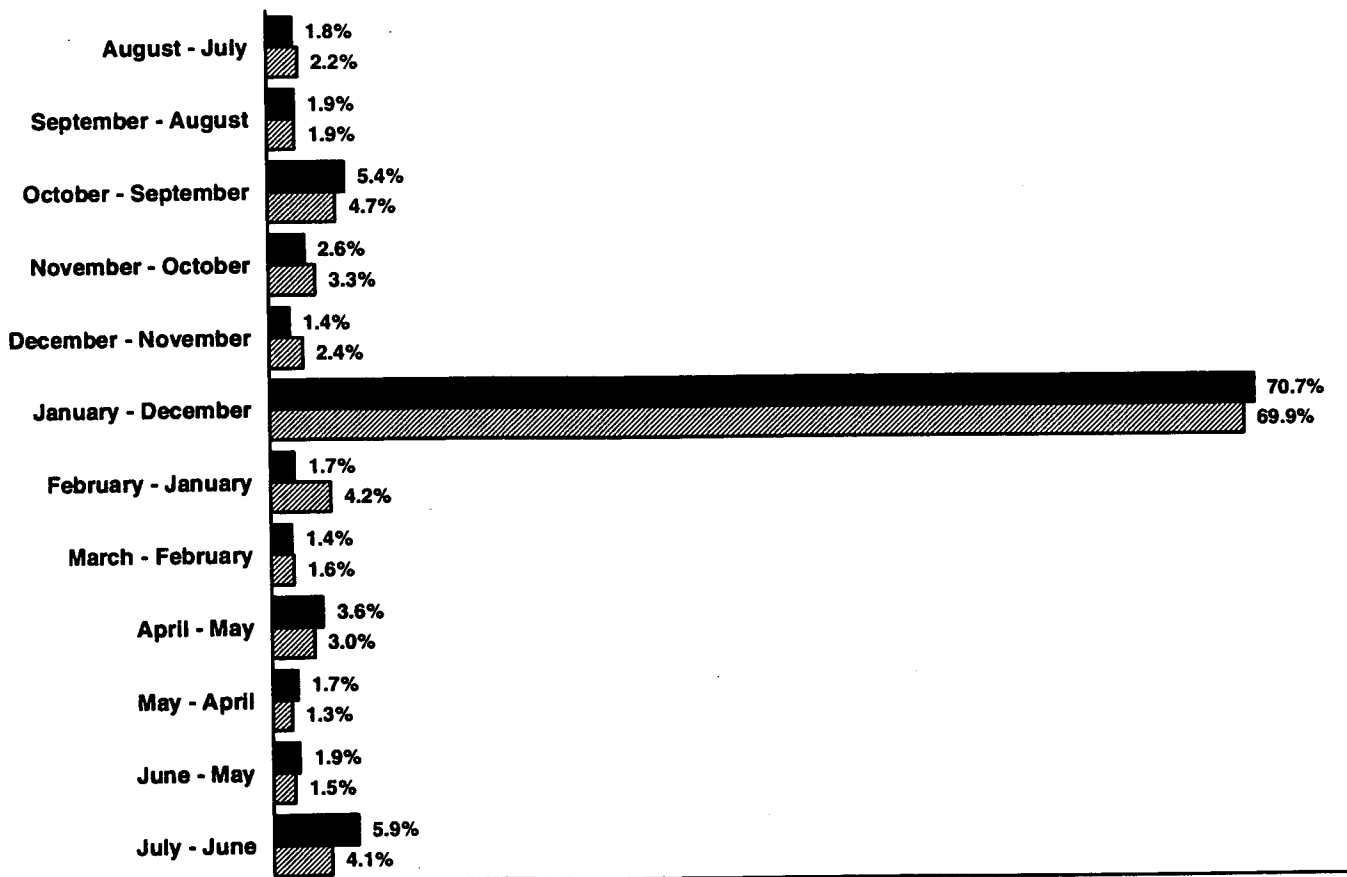
residential real estate management association that elects to be treated as a homeowners association under section 528.

Time Period Employed

The estimates in this report are based on data from returns with accounting periods that coincided with the calendar year and returns with accounting periods that were for noncalendar years ended during the span of months July 1992 through June 1993. This span, in effect, defines the income year in such a way that the noncalendar year accounting periods are centered at the calendar year ended December.

The 12 accounting periods covered by the report are presented in figure B. Code section 441 specified that, in general, a taxpayer's accounting period end on the last day of the month. Thus, a span of 23 months between the first-included accounting period, which began on August 1, 1991, and closed on July 31, 1992, and the start of the last-included accounting period, which began on July 1, 1992, and closed on June 30, 1993. This report therefore, shows income received or expenses incurred during any or all of the months

Figure B.—Corporation Income Tax Percentage of Returns and Net Income (Less Deficit), by Accounting Periods,¹ Income Year 1992



¹Includes part-year returns

Number of returns
 Net income (less deficit)

Corporation Returns/1992 - Introduction

in the 23-month span. For balance sheet items, the report shows a corporation's position only at the end of its accounting period. Corporations were required by Code section 441 to file returns for the accounting period customarily used in keeping their books. Figure B presents the percentage of the total that each accounting period represents for the number of returns and the net income (less deficit). The calendar year returns made up 70.7 percent of the number of returns for 1992 and these same returns were responsible for 69.9 percent of net income (less deficit).

Figure C shows that calendar year returns also included 78.8 percent of the the total assets, 68.0 percent of the total receipts, 74.2 percent of the income subject to tax, 75.0

percent of the total income tax, and 72.7 percent of total income tax after credits. Corporation returns were usually required to file within two-and-one-half months after the close of the corporate accounting period. However, in accordance with Code section 6081, most corporations could receive filing extensions of 6 months. In addition to returns with accounting periods that spanned 12 months, the total number of active corporations includes returns with accounting periods of shorter duration. Such returns are referred to as part-year returns and were filed, for the most part, by continuing corporations changing their accounting periods, new corporations in existence less than 12 months, merging corporations, and liquidating corporations.

Figure C.--Returns of Active Corporations: Number of Returns, Total Assets, Total Receipts, Net Income (Less Deficit), Income Subject to Tax, Total Income Tax, and Total Income Tax After Credits, by Accounting Period Ending for Income Year 1992

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

Accounting Period Ended ¹	Number of returns	Total assets	Total receipts	Net income (less deficit) ²	Income subject to tax ³	Total income tax ⁴	Total income tax after credits ⁵
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total.....	3,888,023	20,002,093,972	11,742,134,729	401,997,022	377,899,801	131,284,690	101,532,379
December 1992.....	2,735,304	15,771,492,296	7,981,297,421	281,138,533	280,336,286	98,437,430	73,764,867
Noncalendar year, total.....	1,133,719	4,230,601,676	3,760,837,308	120,858,489	97,563,315	32,847,260	27,767,512
July 1992.....	69,739	226,301,197	178,556,194	8,693,994	4,999,344	1,668,179	1,420,280
August 1992.....	73,550	246,466,035	198,206,049	7,677,053	5,080,079	1,678,776	1,511,772
September 1992.....	207,613	715,894,391	630,032,315	19,066,380	14,522,031	4,943,390	4,300,404
October 1992.....	98,863	461,674,731	294,161,360	13,094,615	6,295,014	2,147,839	1,679,188
November 1992.....	55,195	259,075,393	135,846,352	9,461,048	6,028,667	2,012,196	1,109,380
January 1993.....	64,883	360,853,058	490,978,492	16,909,540	14,771,938	5,030,115	4,717,266
February 1993.....	55,982	212,430,995	175,956,952	6,307,887	4,076,363	1,345,773	1,280,378
March 1993.....	138,613	665,961,480	579,580,783	11,908,663	11,917,861	4,007,421	3,614,927
April 1993.....	67,652	175,410,841	178,048,490	5,277,925	4,330,642	1,446,885	1,177,786
May 1993.....	72,048	203,663,573	245,918,345	6,079,019	6,044,577	2,054,901	1,649,593
June 1993.....	229,581	702,869,983	653,551,975	16,382,365	19,496,801	6,511,787	5,306,538

¹Includes full and part-year returns.

²Includes taxable income before net operating loss deduction and special deductions.

³Includes taxable income less net operating loss deduction and special deductions.

⁴Includes regular tax, personal holding company tax, recapture of investment credit, alternative minimum tax, environmental tax, excess net passive income tax (Form 1120S); branch tax (Form 1120F); taxes from Parts II, III, and IV (Form 1120-REIT), tax from line 4, Part II (Form 1120-RIC), and adjustments to income tax and to total tax.

⁵Credits include foreign tax, U.S. possessions tax, orphan drug, nonconventional source fuel, general business and prior-year minimum tax credits.

Note: Detail may not add to total because of rounding and the deletion of data. See text for "Explanation of Terms" and Description of the Sample and Limitations of the Data."

Notes and References

[1] Frequencies and amounts will not differ between this report and the 1992 Corporation Source Book of Statistics of Income nor the *Statistics of Income Bulletin* article for 1992 Corporation Returns because no additional returns and corrections are included in this report.

[2] For more detailed information, see Nutter, Sarah E., "Controlled Foreign Corporations, 1990," *Statistics of Income Bulletin*, Volume 14, Number 1, Summer 1994, pp. 89-111.

[3] See Hobbs, James R., "Foreign Corporations with Income Effectively Connected with a U.S. Business, 1989," *Statistics of Income Bulletin*, Volume 13, Number 1, Summer 1993, pp. 81-83.

[4] For more detailed information on S Corporations, see Gill, Amy M., "S Corporation Returns, 1992," *Statistics of Income Bulletin*, Volume 14, Number 4, Spring 1995, pp. 73-100.

Section 2

Changes in Law and Regulations

The statistics in this report reflect, in general, changes in law and regulations that became effective during the 1992 accounting periods covered. Depending on the accounting period used and the effective date of the change in law, the changes may have been fully applicable for some corporations, only partially applicable for others, and not applicable at all for still others.

The information that follows highlights the major changes (listed alphabetically) that affected substantially the comparability of the statistics in this report with those of prior years. These changes resulted from the Energy Policy Act of 1992 and the Revenue Reconciliation Act of 1993. Detail on prior changes in law and regulations are contained in Section 5, Explanation of Terms.

Alcohol Fuel Credit

The Energy Policy Act of 1992 extended the partial excise tax exemption for gasoline that was mixed with alcohol to include blends that contain less than 10% alcohol. This change was effective for gasoline removed after December 31, 1992.

Alternative Minimum Tax

The Energy Policy Act of 1992 made the following changes that affect the alternative minimum tax for tax years beginning after 1992: the preference for depletion no longer applies to independent producers or royalty owners claiming percentage depletion for oil and gas wells under section 613A(c); the preference for intangible drilling costs generally no longer applies to corporations that are independent producers (i.e., not integrated oil companies as defined in section (b)(4)), however, the benefit of this exclusion may be limited; the adjusted current earnings (ACE) adjustment for depletion no longer applies to independent producers or royalty owners claiming percentage depletion for oil and gas wells under section 613A(c); the ACE adjustment for intangible drilling costs for oil or gas wells no longer applies to corporations that are independent producers (i.e., not integrated oil companies as defined in section 291(b)(4)); and the adjustment based on energy preferences was repealed.

The Revenue Reconciliation Act of 1993 made the following additional changes: the preference for contributions of appreciated property was repealed for contributions of tangible personal property made after June 30, 1992, and for all other contributions made after 1992. In addition, no adjustment related to the earnings and profits effects of any contri-

bution is included in ACE; and the ACE depreciation adjustment did not apply to property placed in service after 1993.

Low-Income Housing Credit

The Revenue Reconciliation Act of 1993 permanently extended the low-income housing credit with modifications. The permanent extension of the credit and the modifications relating to full-time students and developmental and operational expenses were effective after June 30, 1992.

Orphan Drug Credit

The orphan drug credit was due to expire June 30, 1992. Under the Revenue Reconciliation Act of 1993, the 50-percent credit for expenses of qualified clinical tests of drugs used to treat certain rare diseases and conditions was extended from June 30, 1992 through December 31, 1994.

Renewable Electricity Production Credit

One of the results of the Energy Policy Act of 1992 was the new section 45 which provided a credit equal to 1.5 cents per kilowatt hour for electricity produced from qualified wind energy or closed-loop biomass and sold to an unrelated person. The facility from which the electricity was produced must have been originally placed in service after 1992.

Research Tax Credit

The research tax credit was not to apply to amounts paid or incurred after June 30, 1992. The Revenue Reconciliation Act of 1993 extended this law. The 20-percent credit for increased qualified research expenses and basic research payments to universities and other qualified organizations was extended from June 30, 1992, through June 30, 1995.

Schedule H (Form 1120)

Schedule H (Form 8716) was retitled Schedule H (Form 1120). Schedule H was used by certain personal service corporations to determine if they have met the minimum distribution requirements of section 280H for the tax year and to determine limits on deductions.

Targeted Jobs Tax Credit

The targeted jobs tax credit could be taken by employers who hired economically disadvantaged individuals in certain targeted groups. This credit was extended retroactively from June 30, 1992 to December 31, 1994. The extension of the targeted jobs tax credit was effective for individuals who began work for the employer after June 30, 1992 and before January 1, 1995.

Section 3

Description of the Sample and Limitations of the Data

This section describes the 1992 Corporate sample design, including the methods used in the selection of returns, data capture, data cleaning, and data completion. The techniques used to produce estimates and an assessment of the data limitations, including measures of sampling variability, are also discussed.

Background

From Tax Year 1916 through Tax Year 1950, data were extracted for the Statistics of Income (SOI) program from each corporate return filed. Stratified probability sampling was introduced for Tax Year 1951. Since then, the size of the samples has generally decreased while the population has increased. For example, for Tax Year 1951 the sample comprised 41.5 percent of the entire population, or 285,000 of the 687,000 total returns filed. For 1992, the sample proportion had decreased to about 2.0 percent, or about 84,200 returns selected from a total population of 4.2 million. The number of active returns in the sample is 80,823, and the estimated active population is over 3.8 million.

For 1951, stratification was by size of total assets and industry. From 1952 through 1967, the stratification was by size only, where the size was measured either by volume of business (1953-1958) or total assets (1952, and 1959-1967). Since 1968, returns have been stratified by both total assets and a measure of income, the definition of which depends on the return's form type [1].

Population

Statistics in this report are for active corporations organized for profit and are required to file the Form 1120 series of returns. The following chart gives the actual number of corporate returns by form type that were filed during Tax Years 1988 through 1992 and were, therefore, subject to sampling.

Form type	Tax year				
	1988	1989	1990	1991	1992
1120	2,298,019	2,117,242	2,053,927	2,013,142	1,950,867
1120-A	298,698	330,395	334,472	333,593	355,330
1120S	1,321,687	1,502,103	1,644,301	1,763,665	1,893,837
1120L	2,325	2,281	2,226	2,098	2,020
1120-PC	2,388	2,492	2,527	2,624	2,710
1120-RIC	4,616	5,086	5,076	5,368	6,038
1120-REIT	247	251	262	283	290
1120F	12,112	12,172	12,048	12,222	11,544
Total	3,940,092	3,972,022	4,054,839	4,132,995	4,222,636

Stephanie Hughes, Jeri Mulrow, Susan Hinkins, Richard Collins, and Bertrand Uberall were responsible for the sample design and estimation of the SOI 1992 Corporation Program under the direction of Yahia Ahmed, Chief, Mathematical Statistics Section, Coordination and Publication Staff.

These population counts will differ from all the estimated population counts in this publication because they include out-of-scope returns which are excluded from the tabulations (see pg. 10).

Sample Design

The current sample design is a stratified probability sample, with stratification by form type, and either size of total assets alone, or both size of total assets and a measure of income. Forms 1120 and 1120-A are stratified by size of total assets and size of "proceeds." Size of "proceeds" is used as the measure of income, and is defined to be the larger of the absolute value of net income (or deficit) or the absolute value of "cash flow," which is the sum of net income and several depreciation amounts. Forms 1120F, 1120L, and 1120-PC are each stratified by size of total assets only. Form 1120S is stratified by size of total assets and, as the measure of income, size of taxable income. A change in sample design which occurred during the course of the sampling period assigned Forms 1120-RIC and 1120-REIT returns their own strata based on size of total assets; however, before the change in design was in effect, those forms were selected under the same stratification as Forms 1120 and 1120-A.

The design process begins with projected population totals derived from those used to estimate IRS administrative workloads and are adjusted based on previous years' population distributions. Using projected population totals by sampling strata, an optimal allocation, based on variance and cost estimates, is carried out to assign sample sizes such that the overall projected sample size is 85,000. A Bernoulli sample is selected independently from each stratum with rates ranging from .25 percent to 100 percent. Figure D gives stratum boundaries, sample rates, population and sample sizes, and adjusted population and sample sizes for all form types after reclassification of returns due to errors in the stratifying variables (see subsection on Non-sampling Errors, page 12, for further information on the handling of misstratified returns). The final sample size for Tax Year 1992, including inactive corporations and rejected returns, was 84,213 returns for all form types.

Sample Selection

Corporation income tax returns are filed at the ten IRS service centers located throughout the country. All corporate returns are processed initially to determine tax liability and are then made available for other programs, including SOI. All tax data are transmitted and updated on a weekly basis to the IRS Business Master File (BMF) system located in Martinsburg, West Virginia. This system serves as the point of selection for the sample which was selected on a weekly basis.

Corporation Returns/1992 • Sample Description and Data Limitations

Figure D.—Corporation Returns: Sampling Rates, Number Filed, and Number in Sample, by Sample Selection Class, Income Year 1992

Sample Class Number	Description of Sample Selection Classes		Sampling Rates (Percent)	Number of Returns			
	Size of Total Assets (000's)	Size of Proceeds* (000's)		Before Re-stratification		After Re-stratification	
				Population	Sample	Population	Sample
	All Returns, Total.....			4,204,834	84,213	4,204,946	84,140
	Forms 1120 w/ Form 5735 attached, Total.....			532	532	533	531
1	Under \$100,000		100.00	451	451	452	450
2	\$100,000 - \$250,000		100.00	38	38	38	38
3	\$250,000 or more		100.00	43	43	43	43
	Forms 1120 (no Form 5735 attached), 1120-A, 1120S, 1120-RIC*** and 1120-REIT***, Total.....			4,181,812	74,786	4,181,918	74,761
4	Under \$50.....	Under \$25.....	0.25	1,720,241	4,172	1,703,709	4,222
5	\$50 - \$100	\$25 - \$50.....	0.33	603,236	2,010	608,155	2,086
6	\$100 - \$250	\$50 - \$100.....	0.52	718,982	3,758	725,054	3,893
7	\$250 - \$500	\$100 - \$250.....	1.10	453,899	4,899	458,747	4,997
8	\$500 - \$1,000	\$250 - \$500.....	2.00	290,214	5,801	292,822	5,893
9	\$1,000 - \$2,500	\$500 - \$1,000.....	4.70	212,854	9,998	212,545	10,105
10	\$2,500 - \$5,000	\$1,000 - \$1,500.....	6.50	81,277	5,207	80,923	5,221
11	\$5,000 - \$10,000	\$1,500 - \$2,500.....	12.00	43,003	5,147	42,716	5,153
12	\$10,000 - \$25,000	\$2,500 - \$5,000.....	33.00	27,377	9,032	26,991	8,906
13	\$25,000 - \$50,000	\$5,000 - \$10,000.....	50.00	11,993	6,026	11,832	5,922
14	\$50,000 - \$100,000	\$10,000 - \$15,000.....	100.00	7,426	7,426	7,301	7,265
15	\$100,000 - \$250,000	\$15,000 or more.....	100.00	6,203	6,203	6,047	6,022
16	\$250,000 or more.....		100.00	5,107	5,107	5,076	5,076
	Forms 1120L, Total			2,020	1,112	2,012	1,101
17	Under \$50,000.....		43.00	1,622	714	1,597	688
18	\$50,000 - \$250,000		100.00	128	128	138	136
19	\$250,000 or more		100.00	270	270	277	277
	Forms 1120F (with effectively connected income in U.S.), Total			11,544	1,972	11,537	1,966
20	Under \$50,000.....		14.00	11,164	1,592	11,158	1,587
21	\$50,000 - \$100,000		100.00	84	84	84	84
22	\$100,000 or more.....		100.00	296	296	295	295
	Forms 1120-PC, Total			2,710	1,033	2,729	1,034
23	Under \$100.....		30.00	463	139	} 2,393 }	} 700
24	\$100 - \$5,000		30.00	1,254	372		
25	\$5,000 - \$50,000		30.00	665	194		
26	\$50,000 - \$250,000		100.00	219	219	219	217
27	\$250,000 or more.....		100.00	109	109	117	117
	Forms 1120REIT****, Total			288	219	292	220
28	Under \$50,000.....		50.00	139	70	141	69
29	\$50,000 - \$250,000		100.00	104	104	105	105
30	\$250,000 or more.....		100.00	45	45	46	46
	Forms 1120RIC****, Total			5,928	4,559	5,925	4,527
31	Under \$50,000.....		50.00	2,671	1,302	2,660	1,280
32	\$50,000 - \$250,000		100.00	1,841	1,841	1,854	1,836
33	\$250,000 or more.....		100.00	1,416	1,416	1,411	1,411

* Proceeds is defined as the larger of absolute value of net income (deficit) or absolute value of cash flow (depreciation + depletion + net income)

** Not Applicable

*** Returns sampled from July 1992 - December 1992

**** Returns sampled from January 1993 - June 1994

Note: Returns were classified according to either size of total assets or size of proceeds, whichever corresponded to the higher sample class. EXAMPLE: A Form 1120S return with total assets of \$750,000 and a cash flow of \$75,000 is in sample class B (based on total assets), rather than in sample class 6 (based on cash flow).

Corporation Returns/1992 • Sample Description and Data Limitations

Sample selections for Tax Year 1992 occurred over the period of July 1992 through June 1994. A 24-month sampling period is needed for two reasons. First, approximately 33 percent of all corporations have non-calendar year accounting periods (see Figure B). To take account for this, the 1992 statistics represent all corporations filing returns with accounting periods ending during the period from July 1992 to June 1993. Also, many corporations, including some of the largest, request 6-month filing extensions. The combination of non-calendar year filing and filing extensions means that the last returns due to be received by IRS for the Tax Year 1992 (those with accounting periods ending in June 1993) could be timely filed as late as March 1994. Normal administrative processing time lags required that the sampling process remained open for the 1992 study until June 30, 1994. However, a few very large returns for Tax Year 1992 were added to the sample as late as November 1994.

Each corporation is assigned a permanent and unique Employer Identification Number (EIN). The EIN is used as the basis for random selection. A pseudo-random number (PRN) is generated using the EIN as the seed. The last four digits of the PRN, called the transformed taxpayer identification number (TTIN), are compared to the sampling rates; a corporation for which the value of its TTIN is below the sampling rate multiplied by 10,000 is selected in the sample. The algorithm for generating the TTIN does not change from year to year. Consequently, any corporation selected into the sample in a given year will be selected again the next year, providing that the corporation files a return using the same EIN in the two years and that it falls into a stratum with the same or higher rate. If the corporation falls into a stratum with a lower rate, the chance of selection will correspond to the ratio of the second year to the first year selection probabilities. If the corporation files with a new EIN, the probability of being selected will be independent of the prior year selection. This results in a reduction of the sample variance for estimates of year-to-year change. (For more detail see reference [2].)

Data Capture

Data processing for SOI begins with information already extracted for administrative purposes; over 100 items are available from the BMF system for non-consolidated Form 1120 returns. Approximately 900 additional items are extracted from the tax returns. The administrative data are checked and corrected as necessary. The SOI data capture process can take as little time as one-half hour for a small, single entity corporation filing on Form 1120-A, or as long as a week for a large consolidated corporation filing several hundred attachments and schedules with the return. The process is further complicated by several factors:

- The 900 separate data items that may be extracted from any given tax return often require totals to be constructed from various other items on other parts of the return.

- Each 1120 form type has a different layout with different types of schedules and attachments, making data extraction less than uniform for the various form types.
- There is no legal requirement that a corporation meet its tax return filing requirements by filling in, line for line, the entire U.S. tax return form. Therefore, many corporate taxpayers report much of their financial details in schedules of their own design.
- There is no single accepted method of corporate accounting used throughout the country, but rather several accepted accounting "guidelines", many of which are unique to geographic locations. SOI attempts to standardize these differences during data abstraction and editing.
- Different companies may report the same data item, such as other current liabilities, on different lines of the tax form. Again, SOI attempts to standardize these differences.

In order to help overcome these complexities and differences due to taxpayer reporting, SOI prepares detailed instructions for each tax year. For Tax Year 1992, these instructions consisted of over 500 pages covering normal and straightforward procedures and instructions for exceptions and non-standard situations that might be encountered.

Data Cleaning

Statistical processing of the corporate returns took place in an on-line computer environment. This means that the data from returns were entered directly into the corporation database. In this context, the term "editing" refers to the combined interactive processes of data extraction, consistency testing, and error resolution. There are over 700 of these tests, which look for such inconsistencies as:

- Impossible conditions, such as incorrect tax data for a particular form type;
- Internal inconsistencies, such as items not adding to totals;
- Questionable values, such as a bank with an unusually large amount reported for cost of goods sold and/or operations; and
- Improper sample class codes, such as when a return has \$10,000 in total assets, but was selected as though it had \$1 million.

Data Completion

In addition to the tests mentioned above, missing data problems must be addressed and returns that are to be excluded from the tabulations must be identified. The data completion process focuses on these issues.

If the missing data items are from the balance sheet, then imputation procedures are used. If data for a whole return are

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missing because the return is unavailable to SOI during the data capture process, again imputation procedures are used in certain cases.

A ratio-based imputation procedure is used to estimate missing balance sheet items for all 1120 forms except those with less than 12 month accounting periods. The ratios are determined by the prior year's return if available; otherwise, by the major industrial group from a previous year's data. If the balance sheet was imputed because the balance sheet was not in balance, items that are not reported are imputed based on these ratios so that the sum of assets equals the sum of liabilities and shareholder's equity. If the entire balance sheet was imputed, then total assets was imputed first based on the ratio of last year's total assets to the business or total receipts within the return's respective major industry. The other asset and liability items are then imputed to add to the imputed total asset amount. The following chart shows the number of returns that had balance sheet items imputed for Tax Years 1988 through 1992.

Tax year	1988	1989	1990	1991	1992
No. of returns	371	354	302	303	221

For Tax Year 1992, of the 221 returns, 36 of them have imputed total assets which accounts for approximately .003 percent of the estimated total assets of the active corporations in 1992.

Data for unavailable critical corporations are imputed in various ways, depending on what information is available at the time the SOI database is produced. Critical corporations include corporations with total assets greater than or equal to 2 percent of the total assets for the minor industrial group in which they were classified, and corporations for which total assets are over a specified limit dependent on the form type, the major industry, or the minor industry. The ratio-based imputation procedure, as described above, is used to estimate balance sheet data for all of the critical companies with balance sheets missing. For critical corporations selected for the sample but unavailable for statistical processing, data transcribed for administrative purposes were used. For the critical corporations not selected for the sample, if the current tax return is not found in any of the IRS service centers and no other current tax data is available, data from the previous year's return is used with adjustments for tax law changes.

Another part of the data cleaning process is identifying sampled returns that are not used in the tabulation. The BMF system, used for sample selection, can include duplicate tax returns and other out-of-scope returns, such as returns for non-profit corporations and prior-year tax returns. These include the following types of returns:

- Inactive corporation returns (having neither current income nor deductions);
- Duplicate returns;

- Amended returns not associated with the original returns;
- Tentative returns not associated with the revised returns;
- Returns of corporations exempt under Section 931 of the IRC;
- Returns of corporations exempt under Section 1247 of the IRC;
- Returns of corporations exempt under Section 883 of the IRC;
- "Cost corporation" returns exempt under Revenue Ruling 52-542 of the IRC;
- Returns of corporations exempt under Section 501(c)(15) of the IRC;
- Returns of non-resident foreign corporations having no income effectively connected with a trade or business within the United States;
- U.S. Virgin Island corporations exempt under Section 934 of the IRC;
- Returns of political organizations filing under Section 527 of the IRC;
- Returns filed by general stock ownership corporations exempt from tax;
- Returns filed by homeowners' associations under Section 528 of the IRC;
- Information returns reporting no tax because of tax treaty or convention according to Section 894 of the IRC;
- Prior year returns with total assets under \$250,000,000 filed on tax forms for years prior to 1991 and with accounting periods ending before July 1992.

The following chart displays the number of sampled returns that were excluded from tabulations each tax year.

Type of return	Tax year				
	1988	1989	1990	1991	1992
Inactive	1,029	878	1,051	978	903
Other	82	155	38	82	33
Duplicate	1,026	885	790	883	213
Prior Year	1,219	1,044	1,274	1,017	2,180
Total	2,245	2,962	3,153	2,960	3,329
Sample Size	81,018	80,497	85,533	84,666	84,140
% of Sample	2.77	3.68	3.69	3.50	3.96

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The following chart gives the estimated active corporations by form type for Tax Years 1988 through 1992.

Form type	Tax year				
	1988	1989	1990	1991	1992
1120	2,057,036	1,917,144	1,848,498	1,821,503	1,782,933
1120-A	228,861	268,149	273,603	262,648	280,697
1120S	1,257,191	1,422,967	1,575,092	1,698,271	1,785,371
1120L	2,295	2,309	2,151	2,026	1,959
1120-PC	2,204	2,195	2,302	2,506	2,475
1120-RIC	5,070	5,250	5,250	5,585	5,842
1120-REIT	211	528	278	291	293
1120F	9,921	9,321	9,479	9,958	9,452
No. of returns	3,562,789	3,627,863	3,716,650	3,802,788	3,869,023

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

Estimation

The estimates of the total number of corporations and associated money amounts produced in this report are based on weighted sample results. A one-step process was used to determine the weights for Forms 1120F, 1120L, 1120-PC, and Form 1120 with Form 5735 attached. A two-step process was used to determine the weights for Forms 1120, 1120-A, and 1120S. Due to the sample design change for Forms 1120-RIC and 1120-REIT, the two-step process was used for those returns selected under the former design and the one-step process was used for those selected under the new design.

Under the one-step process, the weights are assigned as the reciprocal of the achieved sample rate. These weights are used to produce the aggregated total frequencies and money amounts published in this report for Forms 1120F, 1120L, 1120-PC, and Form 1120 with Form 5735 attached.

The two-step process was used to improve the industry estimates. The first stage is identical to the one-step process as described above and provides an initial weight for the return. The second stage involves post-stratification by industry. During post-stratification, certain cells have small sample sizes. To handle this problem, a raking ratio estimation approach is applied during post-stratification in order to determine the final weights [3]. Restrictions are placed on the raking process to produce final weights that fall within the range $(2/3)^{1/2}$ x original weight to $(3/2)^{1/2}$ x original weight. These final weights are used to produce the aggregated frequencies and money amounts published in this report for Forms 1120, 1120-A and 1120S, as well as for Forms 1120-RIC and 1120-REIT falling under the former design. For Forms 1120-RIC and 1120-REIT under the new design, the weight used is the inverse of the achieved sampling rate.

Data Limitations and Measures of Variability

Several extensive quality review processes were used to improve the quality of the data. The review processes began at the sample selection stage with weekly monitoring of the sample to insure that the proper number of returns were being selected. They continued through the data collection, data

cleaning, and data completion procedures with consistency testing. Part of the review process included extensive comparisons between the 1992 data and the 1991 data. A great amount of effort was made at every stage of processing to insure data integrity.

Sampling Error

Since the corporation estimates were based on a sample, they may differ from figures that would have been obtained if a complete census of all income tax returns had been taken. The particular sample used to produce the results in this report is one of a large number of possible samples that could have been selected under the same sample design. Estimates derived from one of the possible samples could differ from those derived for any other sample, and from the population aggregates. The deviation of a sample estimate from the average of all possible similarly selected samples is called the sampling error. The standard error (SE) is a measure of the average magnitude of the sampling errors over all possible samples.

The standard error is the most commonly used measure of the sampling error and can be estimated from the sample. Sometimes, for convenience, the standard error is expressed as a percentage of the value being estimated. This is called the coefficient of variation (CV) of the estimate. The coefficient of variation can be used in assessing the reliability of an estimate.

The estimated coefficient of variation of an estimate is calculated by dividing the standard error by the estimate. Estimated coefficients of variation by industrial groupings for the estimated number of returns, as well as for selected money amount estimates, are shown in Table 1 on page 17. For the estimated number of returns by asset size and industrial division, estimated coefficients of variation are given in Figure E.

The coefficient of variation, $CV(X)$, can be used to construct confidence intervals of the estimate X . The standard error, which is required for the confidence interval, must first be calculated. For example, the estimated number of manufacturing companies with net income and its coefficient of variation can be found in Table 1 and used to calculate the standard error:

$$\begin{aligned} SE(X) &= X \times CV(X) \\ &= 169,381 \times 3.03/100 \\ &= 5,132 \end{aligned}$$

Assume that a 95 percent confidence interval for the number of returns in manufacturing is desired. The 95 percent confidence interval is constructed as follows:

$$\begin{aligned} X \pm (2 \times SE(X)) &= 169,381 \pm (2 \times 5,132) \\ &= 169,381 \pm 10,264 \end{aligned}$$

Thus, the interval estimate is 159,117 returns to 179,645 returns. This means that if all possible samples were selected

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Figure E.--CVs for Number of Returns, by Asset Size and Industrial Division, Tax Year 1992

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

Industrial division	Size of total assets--continued					
	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000
	(7)	(8)	(9)	(10)	(11)	(12)
All Industries ¹	0.76	1.24	0.82	0.81	0.07	0.07
Agriculture.....	4.25	10.72	7.82	9.07	0.87	1.08
Mining.....	7.24	9.55	6.33	7.06	0.62	0.65
Construction.....	2.41	4.52	3.66	5.21	0.51	0.71
Manufacturing.....	1.93	2.68	1.64	1.75	0.16	0.17
Transportation.....	3.65	5.84	3.78	4.30	0.67	0.42
Wholesale and retail trade.....	1.33	2.28	1.74	2.22	0.22	0.25
Finance, insurance and real estate.....	1.67	2.57	1.45	1.13	0.10	0.08
Services.....	2.17	3.85	2.66	3.11	0.29	0.32

¹Includes return not allocable by industrial division.

Note: Returns with total assets of \$250 million or more were sampled at the 100% rate and are, therefore, not subject to sampling error.

under essentially the same general conditions and using the same sample design, and if an estimate and its standard error were calculated from each sample, then approximately 95 percent of the intervals from two standard errors below the estimate to two standard errors above the estimate would include the average estimate derived from all possible samples. Thus, for a particular sample, it can be said with 95 percent confidence that the average of all possible samples is included in the constructed interval. This average of the estimates derived from all possible samples would be equal to or near the value obtained from a census.

Non-sampling Error

In addition to sampling error, non-sampling error can also affect the estimates. Non-sampling errors can be classified into two groups: random errors whose effects may cancel out and systematic errors whose effects tend to remain somewhat fixed and result in bias.

Non-sampling errors can be categorized as coverage errors, non-response errors, processing errors, or response errors. These errors can be the result of the inability to obtain information about all returns in the sample, differing interpretations of tax concepts or instructions by the taxpayer, inability of a corporation to provide accurate information at the time of filing (data are collected before auditing), inability to obtain all tax schedules and attachments, errors in recording or coding the data, errors in collecting or cleaning the data, errors made in estimating for missing data, and failure to represent all population units.

Coverage errors in the SOI corporation data can result from the difference between the time frame for sampling and the

actual time needed for filing and processing the returns. As stated above, many of the largest corporations receive extensions to their filing periods and, as a result, may file their returns after sample selection has ended for that tax year. However, any of the largest returns found are added into the file until the final file is produced.

Coverage problems within industrial divisions in the SOI corporation study result from the way consolidated returns may be filed. The Internal Revenue Code permits a parent corporation to file a single return which includes the combined financial data of the parent and all its subsidiaries. These data are not separated into the different industries but are entered into only one industry. Thus, there is an undercoverage of financial data within certain industries and overcoverage in others. Coverage problems within industrial divisions present a limitation on any analysis done with the sample results.

Unit non-response for SOI occurs when a sampled return is unavailable for SOI processing. For example, other areas of the IRS such as Examination, Collection, or District Offices may have the return at the time the return is needed for statistical processing. These returns are termed unavailable returns. In 1992, there were 73 unavailable returns in the corporation study, which constituted about 0.08 percent of the sample. The following chart gives the number of unavailable returns and their percentages of total sample for Tax Year 1988 through 1992.

Tax year	1988	1989	1990	1991	1992
No. of returns	162	89	27	69	73
% of Sample	0.2	0.1	0.03	0.08	0.08

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Errors in recording, coding or processing the data can cause a return to be sampled in the wrong sampling class. This type of error is called a misstratification error. One example of how a return might be misstratified is the following: a corporation files a return with a total asset amount of \$10,000.23 and net income of \$5,000.00; a processing error causes the cents to be keyed in as dollars so that the return is classified according to \$1,000,023 total assets and \$5,000 net income. The return would be misstratified according to the incorrect value of total assets. The following chart shows the number of misstratified returns for Tax Years 1988 through 1992.

Tax year	1988	1989	1990	1991	1992
No. of returns	1,802	1,271	1,969	1,420	1,207

Misstratified returns in the sample were reclassified into their proper sampling classes after complete data capture. The population of returns that needed to be reclassified was estimated from the sample and the stratum population sizes were adjusted accordingly [4]. Population and sample totals were minimally affected by reclassification, and an analysis of the sample results tended to confirm that misstratified returns occurred randomly. Steps are being taken by both the Service Centers and the SOI Division to minimize the number of misstratified returns.

Response errors are due to data being captured before auditing. Some purely, arithmetical errors made by the taxpayer are corrected during the data capture and cleaning processes. Because of time constraints, adjustments to a return during auditing are not incorporated into the SOI file.

Industrial Classification

The industry classification used in this report generally conforms to the former Enterprise Standard Industrial Clas-

sification (ESIC) authorized by The Office of Information and Regulatory Affairs in The Office of Management and Budget (OMB). This classification was designed to classify companies which are often engaged in more than one industry activity into only one industry category. The structure of this classification follows closely along the lines of the underlying Standard Industrial Classification (SIC) Manual, also authorized by OMB, which is designed as a means of classifying establishments. Some departures from the ESIC system were made by SOI for financial industries in order to reflect particular provisions of the Internal Revenue Code. The differences between the ESIC and SIC industries and the SOI industries used in this report have been analyzed.

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Section 4

Basic Tables

Income and Financial Data by Industry and Size

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Note:

All money amounts and frequencies in the tables in the following sections are subject to rounding error. As a result, a row or column of frequencies or amounts may fail to add exactly to the corresponding total amount. Money amounts are rounded to the nearest \$1,000 at the table level. Amounts of \$500 or more were rounded up to the next thousand. Total amounts under \$500 are entered as zero and footnoted to

indicate that an amount was present and greater than zero but less than \$500.

Whenever a cell frequency was less than three, the estimate was combined or deleted in order to avoid disclosure of information about specific corporations. Combinations or deletions are indicated by a double asterisk (**) or a triple asterisk (***) respectively. In all other cases, an estimate based on fewer than ten returns, not all selected at the 100% rate is indicated by an asterisk (*) and should be considered statistically unreliable. These estimates should typically be used in combination with other tabulated values due to the small sample size.

The statistical reliability of each cell in the tables is determined separately from all other cells. Thus, it is possible for a total figure to be marked with an asterisk (*), indicating statistical unreliability, while a subset of that total is not so marked. For example, an industrial division amount could be based on seven returns, three not sampled at the 100% rate. This amount would receive an asterisk. However, a major group within the division may include all of the four returns sampled at the 100% rate and not receive an asterisk.

A dash (-) in place of a frequency or an amount can indicate one of two things. If returns were sampled at the 100% rate, then no returns had that particular characteristic. If returns were sampled at less than the 100% rate, then either no return in the population had that characteristic or the characteristic was so rare that it did not appear in any of the sampled returns.

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RETURNS OF ACTIVE CORPORATIONS

Table 1--Number of Returns, Selected Receipts, Cost of Sales and Operations, Net Income, Deficit, Income Subject to Tax, Total Income Tax, Selected Credits, Total Assets, Net Worth, Depreciable Assets, Depreciation Deduction, and Coefficients of Variation, by Minor Industry

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

Minor industry	Number of returns		Total receipts		Business receipts	Cost of sales and operations	Net income	Deficit	Income subject to tax	Total income tax
	Total	With net income	All returns	Returns with net income						
	(1)	(2)	(3)	(4)						
Total returns of active corporations.....	3,869,023	2,063,593	11,742,134,728	8,891,150,043	10,360,428,794	6,771,767,395	570,431,380	168,434,358	377,899,601	131,284,690
Agriculture, forestry, and fishing.....	137,833	79,399	95,563,041	68,183,742	89,558,975	53,057,740	4,625,097	3,017,800	2,012,510	583,325
Agricultural production.....	81,725	45,862	62,623,483	43,602,932	57,657,688	33,356,233	3,322,909	2,050,402	1,549,641	432,922
Agricultural services, (except veterinarians), forestry, fishing, hunting, and trapping....	56,108	33,536	32,939,557	24,580,810	31,899,287	19,701,507	1,302,188	967,398	462,869	130,403
Mining.....	38,660	15,824	112,830,722	61,034,233	102,487,999	67,184,989	6,888,820	3,982,051	4,268,855	1,657,953
Metal mining.....	2,088	184	10,697,792	8,324,088	9,871,526	6,105,096	830,686	561,812	681,191	294,177
Copper, lead and zinc, gold and silver ores	1,274	89	8,416,076	6,392,346	7,756,196	4,594,947	695,559	501,491	580,582	255,917
Other metal mining *	814	94	2,281,716	1,931,742	2,115,330	1,510,149	135,127	60,321	100,609	38,260
Coal mining.....	2,164	506	19,095,175	11,526,526	17,668,524	12,457,937	792,372	507,727	562,682	245,491
Oil and gas extraction.....	28,340	13,429	70,831,637	31,634,085	63,362,195	41,539,714	4,376,504	2,703,171	2,624,498	962,405
Crude petroleum, natural gas, and natural gas liquids.....	17,426	7,909	53,938,556	21,694,585	48,134,395	33,623,540	3,480,010	1,847,801	2,282,333	840,587
Oil and gas field services.....	10,914	5,519	16,893,081	9,939,500	15,227,800	7,916,174	896,494	855,370	342,166	121,818
Nonmetallic minerals, except fuels.....	4,068	1,706	12,206,118	9,549,534	11,565,755	7,082,242	689,258	209,341	400,483	155,881
Dimension, crushed, and broken stone; sand and gravel.....	3,941	1,640	8,805,883	6,820,040	8,266,595	5,053,369	514,206	168,844	295,594	109,763
Other nonmetallic minerals, except fuels....	127	66	3,400,235	2,729,494	3,299,159	2,028,873	175,052	40,496	104,890	46,118
Construction.....	407,881	224,509	499,405,033	354,679,269	488,401,977	376,289,025	13,812,392	8,307,330	6,268,233	1,550,717
General building contractors and operative builders.....	161,358	89,502	216,936,213	155,015,511	211,677,373	177,332,821	5,554,949	3,687,399	1,996,824	585,413
General building contractors.....	158,172	87,593	206,904,383	146,519,903	202,781,600	170,305,523	5,202,887	3,435,318	1,841,334	530,114
Operative builders.....	3,186	1,909	10,031,830	8,495,609	8,895,773	7,027,298	352,061	252,081	155,491	55,299
Heavy construction contractors.....	17,993	10,435	79,372,677	62,400,890	76,290,053	60,419,594	2,484,569	1,056,800	1,264,709	444,942
Special trade contractors.....	228,530	124,572	203,096,143	137,262,869	200,434,551	138,546,610	5,772,874	3,563,131	2,006,699	520,361
Plumbing, heating, and air conditioning.....	40,462	24,583	42,954,536	31,873,019	42,565,530	29,874,710	1,170,490	417,246	473,710	119,225
Electrical work.....	31,263	17,513	34,417,826	22,276,604	33,894,485	25,251,833	833,309	709,762	348,139	93,525
Other special trade contractors and contractors not allocable.....	156,806	82,477	125,723,782	83,113,245	123,974,535	83,420,067	3,769,075	2,436,123	1,184,850	307,612
Manufacturing.....	300,071	169,381	3,760,265,837	2,820,598,479	3,513,707,078	2,402,877,254	184,567,951	40,940,548	151,716,109	63,389,556
Food and kindred products.....	17,461	9,479	407,928,436	339,818,850	391,468,427	268,384,034	20,057,758	2,300,071	16,800,332	5,906,351
Meat products.....	2,210	1,510	67,754,725	50,496,788	66,781,077	58,380,214	1,314,544	466,697	938,268	323,781
Dairy products.....	1,759	1,041	31,630,893	26,296,611	30,935,747	22,894,786	847,035	234,977	579,734	203,064
Preserved fruits and vegetables.....	534	283	28,095,134	22,057,797	26,971,683	17,710,378	1,735,125	184,954	1,587,807	551,923
Grain mill products.....	1,640	689	85,353,955	81,254,256	81,989,465	55,869,201	4,204,416	27,462	3,947,369	1,357,879
Bakery products.....	3,397	2,098	18,676,457	16,428,996	18,448,529	10,100,977	753,311	70,828	440,869	154,136
Sugar and confectionery products.....	795	601	18,596,319	15,716,357	18,039,674	10,892,211	1,346,928	120,495	1,080,434	376,192
Malt liquors and malt.....	51	*32	19,537,053	*17,602,056	19,136,009	10,143,931	*1,371,985	*9,267	1,341,864	464,225
Alcoholic beverages, except malt liquors and malt.....	795	257	10,625,041	8,625,400	9,438,344	5,659,151	1,340,911	208,044	795,642	274,352
Bottled soft drinks and flavorings.....	674	495	59,941,960	50,107,596	54,335,761	30,061,640	4,449,892	542,315	4,045,502	1,473,460
Other food and kindred products.....	5,605	2,473	67,716,898	51,232,994	65,392,138	46,671,545	2,693,611	435,031	2,042,843	727,538
Tobacco manufactures.....	73	***	79,441,400	***	71,562,500	34,224,068	***	***	6,906,630	2,416,596
Textile mill products.....	5,564	3,803	69,402,673	55,236,158	67,984,120	49,889,858	3,525,762	814,085	2,204,703	779,056
Weaving mills and textile finishings.....	644	445	21,030,117	17,011,637	20,569,141	14,803,868	1,294,635	266,269	907,436	319,667
Knitting mills.....	1,099	877	8,239,824	6,617,060	8,186,399	6,295,274	411,223	90,931	265,534	90,955
Other textile mill products.....	3,821	2,481	40,132,731	31,607,462	39,228,580	28,790,716	1,819,904	456,884	1,031,733	368,434
Apparel and other textile products.....	17,471	7,915	77,332,098	60,222,842	75,471,057	53,703,007	4,131,264	1,170,865	2,689,558	911,042
Men's and boys' clothing.....	1,993	398	25,706,949	21,994,436	24,663,590	17,006,125	2,023,381	349,485	1,762,875	604,358
Women's and children's clothing.....	5,223	2,894	28,473,858	20,872,144	27,951,009	20,526,164	1,224,940	462,282	571,518	191,491
Other apparel and accessories.....	4,523	1,868	11,347,965	8,215,308	11,195,744	7,765,888	432,390	203,551	155,350	50,790
Miscellaneous fabricated textile products; textile products, not elsewhere classified..	5,732	2,755	11,803,327	9,140,955	11,660,714	8,404,830	450,553	155,546	199,816	64,403
Lumber and wood products.....	19,152	12,792	78,725,781	69,173,446	75,825,389	56,063,548	3,014,745	458,350	1,865,259	690,552
Logging, sawmills, and planing mills.....	9,673	6,823	32,166,473	29,202,475	30,488,748	21,849,574	1,387,612	147,599	952,580	344,969
Millwork, plywood, and related products.....	4,100	2,549	29,137,563	25,430,346	28,582,827	21,730,798	858,496	132,435	471,015	199,231
Other wood products, including wood buildings and mobile homes.....	5,379	3,420	17,421,745	14,540,624	16,753,814	12,483,176	768,636	178,316	441,664	146,352
Furniture and fixtures.....	10,053	5,410	37,344,788	30,172,996	36,360,287	25,223,023	1,832,898	374,508	1,312,294	445,533
Paper and allied products.....	3,172	1,910	130,435,620	84,787,590	125,281,198	86,052,128	5,117,314	2,361,554	4,284,100	1,683,580
Pulp, paper, and board mills.....	171	110	71,038,887	41,031,783	68,220,516	46,958,307	1,386,991	1,805,194	1,251,784	611,530
Other paper products.....	3,001	1,800	59,396,733	43,758,808	57,060,681	39,093,820	3,730,323	556,360	3,032,316	1,072,050
Printing and publishing.....	52,752	30,000	184,130,997	153,251,290	174,974,483	86,865,118	11,002,192	2,217,660	8,187,866	2,807,121
Newspapers.....	5,547	2,391	48,984,428	45,133,332	45,868,993	16,758,048	3,759,458	444,753	3,292,417	1,142,725
Periodicals.....	4,396	2,688	33,430,174	28,596,216	30,407,791	15,359,794	1,928,838	556,270	1,361,232	464,696
Books, greeting cards, and miscellaneous publishing.....	10,864	5,519	32,067,582	25,386,318	30,090,425	11,885,016	2,019,514	361,183	1,363,058	469,589
Commercial and other printing, and printing trade services.....	31,945	19,402	69,648,814	54,135,424	68,607,273	42,862,260	3,294,382	855,455	2,171,159	730,111
Chemical and allied products.....	10,880	7,045	427,036,023	370,415,767	394,111,231	229,837,502	37,011,929	3,741,091	33,480,757	11,737,043
Industrial chemicals, plastics materials and synthetics.....	4,112	2,430	174,743,988	136,279,480	161,996,905	108,500,380	8,041,125	1,792,515	6,560,850	2,369,411
Drugs.....	1,504	941	123,924,040	120,718,080	111,679,050	46,458,553	20,915,198	835,824	19,920,103	6,919,599
Soaps, cleaners, and toilet goods.....	1,967	1,212	80,610,507	74,182,916	75,295,911	47,739,507	5,071,338	443,230	4,574,927	1,611,041
Paints and allied products.....	683	560	11,671,178	10,536,468	11,529,531	6,767,763	756,025	57,146	640,763	218,190
Agriculture and other chemical products.....	2,614	1,902	36,086,311	28,698,823	33,609,833	20,371,300	2,228,244	612,376	1,784,115	618,803

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 1—Number of Returns, Selected Receipts, Cost of Sales and Operations, Net Income, Deficit, Income Subject to Tax, Total Income Tax, Selected Credits, Total Assets, Net Worth, Depreciable Assets, Depreciation Deduction, and Coefficients of Variation, by Minor Industry

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

Minor industry	Number of returns		Total receipts		Business receipts	Cost of sales and operations	Net income	Deficit	Income subject to tax	Total income tax
	Total	With net income	All returns	Returns with net income						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Manufacturing—Continued										
Petroleum (including integrated) and coal products.....	2,501	873	500,043,150	429,761,134	473,058,851	369,478,183	20,579,924	1,148,722	19,789,003	6,945,476
Petroleum refining (including integrated).....	902	288	494,969,832	426,070,946	468,082,646	365,796,467	20,352,569	1,016,868	19,679,080	6,907,528
Petroleum and coal products, not elsewhere classified.....	1,599	585	5,073,318	3,690,187	4,976,205	3,681,716	227,355	131,854	109,993	37,949
Rubber and miscellaneous plastics products.....	11,340	7,671	82,535,794	59,085,888	79,855,734	54,480,668	3,930,454	1,133,298	2,508,986	862,928
Rubber products; plastics footwear, hose and belting.....	1,744	1,461	34,281,256	20,867,713	32,603,780	21,883,915	1,629,227	593,257	1,419,402	489,272
Miscellaneous plastics products.....	9,596	6,210	48,254,538	38,218,175	47,251,954	32,596,753	2,301,227	540,041	1,089,584	373,656
Leather and leather products.....	1,796	1,268	20,112,469	18,421,227	19,403,946	13,401,804	649,937	109,997	432,406	170,160
Footwear, except rubber.....	429	398	15,309,083	14,110,785	14,673,552	10,092,103	451,844	*86,899	304,803	128,726
Leather and leather products, not elsewhere classified.....	1,368	870	4,803,386	4,310,442	4,730,394	3,309,701	198,092	*23,097	127,603	41,434
Stone, clay, and glass products.....	9,337	5,590	63,604,006	36,706,620	59,845,850	39,323,734	2,550,007	1,361,151	1,714,870	599,868
Glass products.....	1,334	662	25,130,682	14,567,686	22,580,138	13,680,558	1,284,954	377,958	1,064,334	364,907
Cement, hydraulic.....	203	139	5,379,272	2,061,032	5,136,659	3,552,997	106,337	276,943	*60,906	23,547
Concrete, gypsum, and plaster products.....	4,232	2,847	18,974,310	11,183,579	18,357,784	13,042,898	601,425	480,762	346,447	120,994
Other nonmetallic mineral products.....	3,568	1,943	14,119,742	8,894,323	13,771,268	9,047,281	557,291	225,488	243,182	90,419
Primary metal industries.....	4,088	2,230	130,502,572	59,296,358	126,611,303	99,142,779	2,670,851	3,655,510	1,872,128	722,721
Ferrous metal industries, miscellaneous primary mineral products.....	2,520	1,121	66,052,590	30,316,349	64,093,215	49,237,593	1,423,958	2,551,753	977,575	361,904
Nonferrous metal industries.....	1,567	1,109	64,449,982	28,980,009	62,518,089	49,905,186	1,246,893	1,103,757	894,553	360,817
Fabricated metal products.....	45,495	26,036	168,220,692	127,188,190	163,594,946	114,679,246	8,126,349	2,086,990	5,224,069	1,760,008
Metal cans and shipping containers.....	161	58	7,248,119	4,370,131	7,075,994	5,188,106	219,220	*84,969	190,629	65,657
Cutlery, hand tools, and hardware; screw machine products, bolts, and similar products.....	4,487	2,604	19,927,394	17,565,991	18,908,123	11,899,264	1,567,505	145,512	1,252,599	423,106
Plumbing and heating, except electric and warm air.....	741	284	10,179,638	8,673,194	9,895,746	6,631,005	594,737	75,345	495,172	168,979
Fabricated structural metal products.....	7,069	4,163	36,484,004	26,360,658	35,491,007	26,561,419	1,247,396	482,000	788,498	268,130
Metal forgings and stampings.....	3,796	2,750	18,243,404	12,982,210	17,987,586	12,913,426	673,321	279,173	302,647	103,428
Coating, engraving, and allied services.....	2,668	923	5,027,781	3,626,456	4,961,149	3,357,697	200,391	95,903	94,945	29,345
Ordnance and accessories, except vehicles and guided missiles.....	626	230	1,732,041	1,006,703	1,672,162	1,153,450	105,804	*31,980	*84,695	*28,950
Miscellaneous fabricated metal products.....	25,948	15,024	69,378,311	52,602,846	67,603,179	46,974,879	3,517,975	892,104	2,014,885	672,412
Machinery, except electrical.....	28,720	16,329	274,754,659	184,489,371	240,128,427	162,649,003	13,281,344	4,110,685	11,144,601	3,894,944
Farm machinery.....	2,505	1,452	15,691,815	13,055,570	14,542,258	9,889,687	358,356	163,051	220,416	71,731
Construction and related machinery.....	2,650	1,974	29,388,617	12,427,040	28,165,543	20,791,779	578,449	391,679	378,655	129,053
Metalworking machinery.....	7,194	4,378	22,419,186	12,414,182	21,455,789	13,853,118	649,900	406,382	358,952	117,568
Special industry machinery.....	4,004	2,559	24,652,227	14,827,616	23,753,862	16,302,803	993,226	621,638	552,938	187,313
General industrial machinery.....	3,870	1,944	30,884,302	24,533,751	29,835,280	19,949,572	1,690,356	382,309	1,354,518	466,954
Office, computing, and accounting machines.....	1,839	572	118,760,237	86,934,578	90,654,883	59,894,781	7,824,738	1,767,374	7,384,632	2,615,196
Other machinery, except electrical.....	6,658	3,449	32,958,274	20,296,633	31,720,802	21,967,183	1,186,319	378,252	894,491	307,129
Electrical and electronic equipment.....	20,840	11,288	340,084,964	260,959,966	306,464,650	201,751,042	16,629,744	5,529,458	13,625,169	4,818,429
Household appliances.....	283	86	18,045,140	15,973,490	17,610,811	11,627,301	765,802	96,997	617,216	211,483
Radio, television, and communication equipment.....	1,706	992	45,716,850	33,927,803	43,494,644	28,772,036	2,083,833	675,004	1,666,562	573,568
Electronic components and accessories.....	10,495	5,655	135,202,687	102,849,034	129,315,580	87,844,636	7,344,601	2,792,985	5,928,019	2,052,029
Other electrical equipment.....	8,356	4,556	141,120,286	108,209,639	116,043,615	73,507,070	6,435,508	1,964,472	5,413,373	1,981,349
Motor vehicles and equipment.....	2,879	991	307,708,783	118,460,879	276,442,337	214,034,441	3,696,882	3,569,888	3,006,348	1,176,301
Transportation equipment, except motor vehicles.....	4,397	2,700	178,173,327	128,460,262	166,942,871	129,609,989	6,781,257	1,420,915	4,870,709	1,691,532
Aircraft, guided missiles and parts.....	747	423	156,917,673	112,543,625	146,374,133	113,837,101	5,961,966	880,036	4,359,101	1,508,180
Ship and boat building and repairing.....	2,476	1,827	7,157,873	4,084,687	6,965,096	5,427,463	252,361	297,524	104,639	36,774
Other transportation equipment, except motor vehicles.....	1,174	450	14,097,780	11,831,950	13,603,642	10,345,425	566,930	243,355	406,969	146,578
Instruments and related products.....	8,924	4,056	122,281,524	94,308,723	111,292,968	64,203,650	8,377,123	1,733,071	7,066,836	2,412,381
Scientific instruments and measuring devices; watches and clocks.....	2,961	1,659	45,334,270	39,564,147	42,462,600	26,587,487	2,696,013	456,616	2,159,125	723,145
Optical, medical, and ophthalmic goods.....	5,462	2,062	39,818,715	32,441,369	37,659,066	20,159,083	3,503,450	1,178,226	2,901,604	998,908
Photographic equipment and supplies.....	501	335	37,128,539	22,303,207	31,171,302	17,457,080	2,177,660	*98,229	*2,006,107	690,328
Miscellaneous manufacturing and manufacturing not allocable.....	23,176	***	80,466,082	***	77,026,504	49,880,427	***	***	2,729,434	937,935
Transportation and public utilities.....	178,284	97,877	997,640,581	780,935,274	941,456,847	381,368,495	58,195,820	16,408,010	50,135,337	17,842,081
Transportation.....	144,640	79,876	371,690,184	216,432,698	355,632,481	144,936,823	10,230,261	9,735,175	6,949,547	2,478,415
Railroad transportation.....	515	450	47,943,626	27,553,157	43,487,018	16,347,848	1,833,222	1,313,822	1,623,653	604,008
Local and interurban passenger transit.....	14,511	7,655	10,441,405	6,602,756	10,228,401	3,164,127	313,235	180,759	170,845	53,867
Trucking and warehousing.....	67,495	43,867	130,723,060	104,997,099	127,382,994	41,446,491	4,734,174	1,102,904	3,029,621	993,065
Water transportation.....	8,759	3,085	19,955,872	15,607,099	18,484,328	9,733,479	874,417	489,319	582,939	217,523
Transportation by air.....	9,893	3,665	96,262,566	18,383,592	92,562,980	35,393,251	650,351	5,743,553	381,411	195,931
Pipe lines, except natural gas.....	214	95	2,007,990	2,003,743	1,840,362	678,167	626,068	*16,753	610,026	208,669
Transportation services, not elsewhere classified.....	43,253	21,058	64,355,666	41,285,252	61,646,397	38,173,461	1,198,594	888,064	550,991	205,322

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 1—Number of Returns, Selected Receipts, Cost of Sales and Operations, Net Income, Deficit, Income Subject to Tax, Total Income Tax, Selected Credits, Total Assets, Net Worth, Depreciable Assets, Depreciation Deduction, and Coefficients of Variation, by Minor Industry

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

Minor industry	Number of returns		Total receipts		Business receipts	Cost of sales and operations	Net income	Deficit	Income subject to tax	Total income tax
	Total	With net income	All returns	Returns with net income						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Transportation and public utilities										
—Continued										
Communication.....	19,170	10,375	280,098,157	258,700,673	257,021,088	74,389,866	23,985,270	4,101,296	21,532,382	7,466,350
Telephone, telegraph, and other communication services.....	12,239	7,131	232,916,907	223,967,058	215,308,721	62,041,883	20,387,677	1,828,462	19,613,041	6,761,035
Radio and television broadcasting.....	6,931	3,244	47,181,250	34,733,615	41,712,367	12,347,983	3,597,593	2,272,834	1,919,341	705,315
Electric, gas, and sanitary services.....	14,474	7,425	345,852,240	305,801,903	328,803,278	162,041,806	23,980,288	2,569,539	21,653,409	7,997,315
Electric services.....	491	267	130,982,649	123,997,039	124,259,361	53,385,948	11,256,267	764,180	10,146,514	3,780,723
Gas production and distribution.....	1,099	788	97,927,950	85,768,489	92,525,843	66,183,068	4,520,434	741,547	4,109,218	1,499,391
Combination utility services.....	341	174	87,308,280	73,406,583	84,247,106	33,859,115	6,486,426	473,202	6,210,390	2,300,878
Water supply and other sanitary services.....	12,543	6,196	29,633,360	22,629,793	27,770,968	8,613,675	1,717,162	590,610	1,187,287	416,323
Wholesale and retail trade.....	1,052,713	567,784	3,503,944,398	2,587,597,801	3,416,387,593	2,618,368,057	72,317,418	30,973,634	44,854,072	14,844,368
Wholesale trade.....	328,771	187,043	1,857,980,223	1,245,834,743	1,621,476,837	1,343,282,424	31,230,513	12,445,270	18,906,326	6,329,988
Groceries and related products.....	25,869	16,342	228,484,731	180,780,098	224,931,777	193,663,227	2,762,722	857,056	1,834,674	607,582
Machinery, equipment, and supplies.....	52,333	31,995	136,259,680	101,152,147	132,461,342	100,901,627	3,282,951	1,436,257	1,941,434	592,033
Miscellaneous wholesale trade.....	250,569	138,706	1,293,215,812	963,902,498	1,264,083,718	1,048,697,571	25,184,841	10,151,957	15,130,218	5,130,372
Motor vehicles and automotive equipment.....	21,284	12,458	151,175,768	88,414,848	145,540,606	117,921,905	2,664,647	1,358,227	2,038,505	840,442
Furniture and home furnishings.....	8,394	4,487	14,760,580	11,320,797	14,405,783	10,323,629	392,448	258,434	231,019	70,096
Lumber and construction materials.....	10,972	6,487	57,701,033	46,462,070	56,895,092	47,581,321	1,097,443	419,691	376,877	118,754
Sporting, recreational, photographic, and hobby goods, toys and supplies.....	10,501	5,112	31,210,674	25,654,170	30,800,376	22,555,184	819,467	492,140	350,255	116,383
Metals and minerals, except petroleum and scrap.....	6,988	4,853	87,105,245	47,554,166	85,732,717	79,068,594	748,148	754,059	422,005	138,807
Electrical goods.....	25,599	12,124	132,603,838	91,503,474	129,717,392	101,192,498	2,673,153	1,373,708	1,666,722	550,579
Hardware, plumbing, and heating equipment and supplies.....	14,638	8,149	51,665,263	42,207,073	50,845,459	38,476,665	1,107,303	394,951	572,620	182,204
Other durable goods.....	47,198	27,467	149,210,990	122,392,040	146,903,248	118,713,822	3,254,879	1,586,039	1,787,664	575,263
Paper and paper products.....	9,109	5,658	36,239,027	26,555,022	35,897,033	28,632,112	542,879	258,634	275,111	84,558
Drugs, drug proprietaries, and druggists' sundries.....	4,453	2,834	67,705,208	58,934,831	66,955,410	58,332,754	1,218,729	279,234	811,754	277,959
Apparel, piece goods, and notions.....	19,758	12,209	63,059,200	50,902,887	61,701,482	48,118,312	2,138,118	827,612	1,273,740	422,745
Farm-product raw materials.....	8,190	4,814	103,042,409	86,355,523	101,175,447	94,242,604	1,397,489	229,561	961,149	321,279
Chemicals and allied products.....	6,988	3,604	27,119,479	20,482,442	26,762,090	21,596,921	494,308	254,015	329,997	105,969
Petroleum and petroleum products.....	10,085	6,565	151,723,705	106,777,534	144,481,858	131,808,853	2,260,507	623,507	1,723,196	579,414
Alcoholic beverages.....	4,655	3,045	52,609,461	47,403,649	51,842,739	39,223,104	1,425,820	76,588	566,038	192,996
Miscellaneous nondurable goods; wholesale trade not allocable.....	41,756	18,841	116,283,934	90,981,970	114,426,986	90,909,295	2,949,502	969,507	1,743,567	552,924
Retail trade.....	720,187	378,900	1,839,081,679	1,347,943,913	1,788,181,720	1,270,003,261	40,826,001	18,411,308	25,856,808	8,485,848
Building materials, garden supplies, and mobile home dealers.....	44,524	23,733	90,930,389	70,045,929	89,062,017	63,831,229	2,410,503	754,647	1,475,267	467,729
Building material dealers.....	21,140	12,525	64,964,875	53,103,253	63,811,588	46,564,943	1,844,215	411,141	1,188,425	387,057
Hardware stores.....	11,888	5,438	13,704,481	8,494,336	13,412,236	9,020,030	245,552	112,601	112,601	28,066
Garden supplies and mobile home dealers.....	11,496	5,771	12,261,033	8,448,340	11,838,193	8,246,256	320,736	135,476	174,241	52,606
General merchandise stores.....	9,714	4,954	317,717,794	216,197,006	299,084,496	199,256,762	9,593,673	3,491,527	7,958,544	2,758,284
Food stores.....	68,003	32,237	362,102,219	282,190,025	356,122,758	270,776,634	5,191,758	1,728,182	3,914,919	1,355,007
Grocery stores.....	34,697	19,506	335,650,155	266,541,726	330,050,745	253,095,353	4,777,368	1,350,561	3,761,235	1,309,642
Other food stores.....	33,306	12,731	26,452,064	15,648,299	26,072,013	17,681,281	414,389	377,621	153,683	45,365
Automotive dealers and service stations.....	99,561	62,714	459,664,057	335,373,181	452,493,539	387,615,569	4,754,343	2,079,598	1,679,356	480,816
Motor vehicle dealers.....	40,747	24,322	355,591,780	259,702,799	349,529,081	308,039,515	3,087,001	1,303,588	884,034	262,902
Gasoline service stations.....	24,826	14,816	58,326,257	39,063,084	57,888,947	48,308,961	544,837	333,969	178,302	46,521
Other automotive dealers.....	33,988	23,576	45,746,019	36,607,298	45,075,511	31,267,092	1,122,506	442,041	617,021	171,393
Apparel and accessory stores.....	41,939	21,349	95,587,505	81,289,208	92,667,126	56,445,389	3,607,128	1,135,347	2,951,773	965,885
Furniture and home furnishings stores.....	39,518	21,516	57,824,848	43,451,654	56,386,578	36,004,208	1,648,521	856,559	849,059	255,097
Eating and drinking places.....	180,789	88,041	162,097,721	106,968,685	155,488,239	63,374,150	5,628,728	3,190,199	2,769,413	921,472
Miscellaneous retail stores.....	236,140	124,355	293,157,146	212,428,225	286,856,968	192,699,321	8,091,348	5,175,249	4,258,273	1,281,358
Drug stores and proprietary stores.....	25,600	16,208	63,014,912	42,038,488	61,971,977	45,340,810	1,460,728	1,063,547	951,553	290,003
Liquor stores.....	14,186	9,013	13,573,088	9,802,098	13,379,810	10,611,094	225,437	182,202	115,525	28,077
Other retail stores.....	196,354	99,135	216,569,146	160,587,639	211,505,181	136,747,417	6,405,183	3,929,500	3,191,195	963,278
Wholesale and retail trade not allocable.....	3,755	1,841	8,902,494	3,818,145	6,749,036	5,102,371	180,902	117,056	91,141	28,729
Finance, insurance, and real estate.....	635,268	295,068	1,900,428,224	1,585,737,073	989,308,810	575,172,843	188,715,713	41,736,373	101,570,714	35,433,128
Banking.....	10,951	8,879	503,385,674	459,647,808	130,071,916	68,745,490	42,650,038	5,363,875	38,153,799	13,433,102
Mutual savings banks.....	245	220	8,483,321	7,853,526	725,080	83,650	1,426,105	70,822	1,351,571	463,086
Bank holding companies.....	6,008	5,126	415,101,287	392,565,557	121,219,278	68,381,228	33,998,704	2,144,472	31,233,233	10,955,444
Banks, except mutual savings banks and bank holding companies.....	4,698	3,532	79,801,066	59,228,725	8,127,559	280,611	7,225,229	3,148,581	5,568,995	2,014,571
Credit agencies other than banks.....	27,218	16,374	198,163,360	166,025,583	59,022,962	13,210,990	21,260,801	9,506,377	16,610,894	5,654,299
Savings and loan associations.....	2,477	2,032	83,680,123	66,583,963	7,037,480	1,071,635	11,938,075	8,159,571	8,663,717	2,944,103
Personal credit institutions.....	3,560	2,724	17,155,102	16,770,624	8,347,579	878,416	1,530,317	160,257	1,377,439	461,496
Business credit institutions.....	2,882	1,640	11,095,367	9,254,556	2,477,517	274,173	607,825	230,818	404,241	146,076
Other credit agencies; finance not allocable.....	18,299	9,979	86,232,768	73,416,440	41,160,387	10,986,766	7,184,583	955,730	6,165,498	2,102,624
Security, commodity brokers and services.....	18,629	10,946	76,065,875	68,429,780	45,515,331	7,459,257	6,961,080	1,065,491	5,801,019	1,994,413
Security brokers, dealers, and flotation companies.....	8,910	5,747	58,433,024	55,149,655	29,781,312	1,954,711	5,662,562	538,626	4,991,753	1,721,614

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 1—Number of Returns, Selected Receipts, Cost of Sales and Operations, Net Income, Deficit, Income Subject to Tax, Total Income Tax, Selected Credits, Total Assets, Net Worth, Depreciable Assets, Depreciation Deduction, and Coefficients of Variation, by Minor Industry

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

Minor Industry	Number of returns		Total receipts		Business receipts	Cost of sales and operations	Net income	Deficit	Income subject to tax	Total income tax
	Total	With net income	All returns	Returns with net income						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Finance, insurance, and real estate										
—Continued										
Commodity contracts brokers and dealers; security and commodity exchanges; and allied services.....	9,718	5,199	17,632,851	13,280,125	15,734,018	5,504,546	1,298,518	526,865	809,267	272,798
Insurance.....	9,121	6,655	837,166,066	679,375,230	612,989,461	442,220,000	35,937,269	7,332,026	32,554,765	11,627,860
Life insurance.....	2,047	1,510	499,481,843	441,413,825	328,257,337	231,700,642	21,763,041	1,509,035	20,413,713	7,027,511
Mutual property and casualty insurance companies.....	1,358	1,061	126,952,183	81,210,928	108,261,538	85,003,455	4,781,136	3,262,870	4,275,364	1,550,257
Stock property and casualty insurance companies and other insurance companies.....	5,716	4,084	210,732,040	156,750,476	176,470,587	125,515,903	9,393,092	2,560,121	7,865,687	3,050,092
Insurance agents, brokers, and service.....	70,763	44,700	39,333,370	29,881,335	37,216,341	5,564,391	3,552,261	708,206	1,703,013	548,962
Real estate.....	441,771	182,666	116,628,578	69,140,529	91,079,629	31,743,804	9,085,305	13,255,123	3,715,307	1,087,157
Real estate operators and lessors of buildings.....	173,580	58,677	30,120,087	16,668,406	20,237,198	4,237,315	2,874,327	3,361,929	1,815,755	533,100
Lessors of mining, oil, and similar property..	1,056	878	544,937	522,925	112,660	*31,659	243,537	*7,041	204,029	69,501
Lessors of railroad property, and of real property, not elsewhere classified.....	3,497	2,230	250,653	186,579	59,314	*4,665	85,736	10,004	60,202	18,233
Condominium management and cooperative housing associations.....	43,642	24,261	11,083,139	5,683,522	8,138,093	558,164	214,846	659,480	133,214	23,239
Subdividers and developers.....	61,988	26,594	31,377,907	19,339,112	26,504,796	19,236,763	2,879,525	4,945,373	600,135	197,012
Other real estate.....	158,009	70,026	43,251,854	26,739,985	36,027,568	7,675,239	2,787,334	4,271,296	901,971	246,072
Holding and other investment companies, except bank holding companies.....	56,814	24,847	129,685,301	113,236,808	13,411,169	6,228,712	69,268,959	4,505,639	3,031,916	1,087,335
Regulated investment companies.....	5,842	4,845	93,216,878	84,461,078			63,419,893	200,195	936	41,567
Real estate investment trusts.....	293	194	5,243,092	4,098,489			1,284,638	570,510	*360	236
Small business investment companies.....	7,605	2,555	933,075	483,850	646,087	*193,620	166,360	380,032	91,265	29,787
Other holding and investment companies, except bank holding companies.....	43,075	17,253	30,292,256	24,193,392	12,765,083	6,035,091	4,398,068	3,354,901	2,939,356	1,015,746
Services.....	1,100,449	807,204	869,533,422	620,737,837	816,783,759	296,026,593	41,370,718	22,845,375	18,051,952	5,920,338
Hotels and other lodging places.....	25,656	11,317	42,379,018	26,756,537	38,689,192	14,359,106	1,781,698	2,312,537	979,333	337,878
Personal services.....	83,043	48,102	37,869,890	29,142,566	36,602,166	13,299,299	1,859,022	601,671	1,080,687	332,867
Business services.....	338,716	184,939	316,339,684	229,707,433	295,481,871	123,653,355	15,635,223	7,628,264	6,967,205	2,291,220
Advertising.....	32,656	16,288	40,730,171	26,370,143	39,010,608	21,603,572	1,673,720	751,242	587,661	191,345
Business services, except advertising.....	306,060	168,652	275,609,513	203,337,290	256,471,263	102,049,783	13,961,502	6,877,022	6,379,544	2,099,875
Auto repair, miscellaneous repair services.....	133,343	78,602	81,722,360	59,180,880	76,841,321	37,981,012	2,584,169	1,341,434	1,199,584	358,213
Auto repair and services.....	82,866	44,909	59,149,645	41,625,757	54,556,774	25,156,083	1,744,722	994,909	782,920	256,717
Miscellaneous repair services.....	50,478	33,693	22,572,715	17,555,123	22,284,546	12,824,928	839,447	346,525	416,663	101,495
Amusement and recreation services.....	101,091	47,924	91,331,295	60,602,644	82,825,742	30,965,091	4,650,864	3,689,758	2,206,794	729,921
Motion picture production, distribution, and services.....	17,484	8,333	25,623,758	14,005,212	23,236,079	11,150,623	847,924	1,407,144	494,598	164,497
Motion picture theaters.....	1,712	455	3,658,398	2,297,512	3,409,187	1,071,279	127,994	78,295	*62,329	24,068
Amusement and recreation services, except motion pictures.....	81,895	39,136	62,049,140	44,299,921	56,180,476	18,743,190	3,675,445	2,204,319	1,649,868	541,355
Other services.....	418,600	236,319	299,891,175	215,347,776	286,343,468	75,768,730	14,859,743	7,271,711	5,618,349	1,870,240
Offices of physicians, including osteopathic physicians.....	41,139	23,756	32,335,474	17,914,773	31,690,077	4,030,421	1,002,435	374,158	89,650	28,432
Offices of dentists.....	20,326	14,384	8,090,363	5,885,918	7,998,228	590,205	410,904	67,275	*6,982	*1,225
Offices of other health practitioners.....	21,989	15,498	5,559,887	4,243,599	5,490,017	898,102	477,636	93,171	34,904	8,437
Nursing and personal care facilities.....	14,563	7,891	32,073,856	24,335,084	31,003,761	4,403,355	1,187,621	639,369	445,729	163,307
Hospitals.....	159	96	30,832,228	25,387,204	28,497,429	3,878,736	1,519,226	304,833	1,233,270	430,291
Medical laboratories.....	4,437	2,286	7,440,755	5,176,950	7,020,095	1,702,965	538,215	290,310	139,047	107,063
Other medical services.....	32,276	20,427	44,914,276	34,712,075	42,875,568	12,761,647	2,710,048	1,044,197	1,461,679	493,838
Legal services.....	27,743	17,312	10,272,782	7,191,918	9,472,923	512,167	879,046	162,014	*5,122	*1,731
Educational services.....	19,696	11,521	14,047,865	10,282,187	13,585,220	3,534,347	678,068	427,679	218,478	68,619
Social services.....	13,140	6,447	4,086,897	2,690,880	4,053,056	647,777	150,799	169,452	57,345	17,836
Membership organizations.....	11,346	5,972	6,141,830	5,037,007	4,987,213	2,006,392	197,588	97,906	142,611	43,792
Architectural and engineering services.....	48,441	25,991	45,463,462	31,963,551	44,140,835	20,752,427	1,608,734	973,529	683,896	233,354
Accounting, auditing, and bookkeeping services.....	26,524	17,627	5,720,483	4,281,423	5,518,019	894,918	484,533	105,333	81,160	21,536
Miscellaneous services (including veterinarians), not elsewhere classified.....	136,819	67,112	52,911,017	36,245,208	50,011,027	19,155,272	3,014,892	2,522,486	838,475	250,778
Nature of business not allocable.....	19,884	6,749	2,523,472	1,648,333	2,359,756	1,412,600	137,454	224,874	21,818	3,228

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 1--Number of Returns, Selected Receipts, Cost of Sales and Operations, Net Income, Deficit, Income Subject to Tax, Total Income Tax, Selected Credits, Total Assets, Net Worth, Depreciable Assets, Depreciation Deduction, and Coefficients of Variation, by Minor Industry--Continued

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

Minor industry	Foreign tax credit	U.S. possessions tax credit	Nonconventional source fuel credit	General business credit	Prior year minimum tax credit	Total income tax after credits ³	Total assets	Net worth	Depreciable assets	Depreciation deduction
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Total returns of active corporations.....	21,520,883	3,748,561	233,331	1,918,100	2,313,811	101,532,379	20,002,083,972	8,700,354,747	4,755,146,257	348,214,839
Agriculture, forestry, and fishing.....	42,801	3,944	39	13,243	6,352	496,946	71,760,770	25,078,478	54,947,870	3,852,322
Agricultural production.....	42,607	3,944	39	11,479	4,056	370,797	55,720,444	20,607,313	41,026,375	2,648,488
Agricultural services, (except veterinarians), forestry, fishing, hunting, and trapping.....	193	-	-	1,764	*2,297	126,149	16,040,327	4,472,163	13,921,295	1,203,835
Mining.....	598,700	-	20,042	21,221	47,459	969,531	218,211,769	106,082,863	110,023,420	5,970,320
Metal mining.....	132,853	-	-	72	2,552	158,700	31,267,382	15,746,556	13,288,227	920,580
Copper, lead and zinc, gold and silver ores	109,864	-	-	72	2,038	143,943	28,176,186	14,295,820	10,679,930	831,893
Other metal mining ¹	22,989	-	-	-	514	14,757	3,091,196	1,450,736	2,608,296	88,686
Coal mining.....	3,686	-	172	*600	11,291	229,741	19,812,736	6,031,652	13,593,233	743,194
Oil and gas extraction.....	456,890	-	19,869	18,940	31,412	435,294	150,624,623	76,170,218	71,084,012	3,503,044
Crude petroleum, natural gas, and natural gas liquids.....	399,317	-	19,192	14,718	31,171	376,190	131,819,540	67,741,520	54,764,363	2,258,310
Oil and gas field services.....	57,573	-	*678	4,222	*241	59,104	18,805,084	8,428,698	16,319,649	1,244,734
Nonmetallic minerals, except fuels.....	*6,272	-	-	*1,609	*2,205	145,796	16,507,027	8,134,237	12,057,947	803,502
Dimension, crushed, and broken stone; sand and gravel.....	*19	-	-	*1,466	*1,691	106,588	12,848,201	6,091,900	8,970,860	580,516
Other nonmetallic minerals, except fuels.....	*6,253	-	-	143	514	39,208	3,658,826	2,042,338	3,087,087	222,986
Construction.....	88,527	2,598	*387	27,299	55,350	1,376,548	231,050,110	71,558,252	88,692,505	8,200,586
General building contractors and operative builders.....	32,782	879	*273	7,850	22,406	521,222	111,261,427	23,638,794	25,443,843	1,816,747
General building contractors.....	32,782	879	*273	4,924	22,174	469,082	95,318,825	21,293,376	24,412,942	1,743,240
Operative builders.....	-	-	-	*2,927	*232	52,141	15,942,602	2,345,418	1,030,901	73,507
Heavy construction contractors.....	52,753	1,251	*124	11,604	14,164	365,047	50,641,527	23,450,314	31,980,349	2,560,551
Special trade contractors.....	*2,993	467	-	7,845	18,780	490,277	69,147,156	24,467,144	41,268,313	3,823,288
Plumbing, heating, and air conditioning.....	1,178	401	-	*576	3,945	113,125	14,111,847	5,079,085	6,525,784	583,248
Electrical work.....	*5	-	-	*3,388	6,023	84,108	12,314,375	3,841,808	5,280,121	488,683
Other special trade contractors and contractors not allocable.....	*1,810	66	-	3,881	8,811	293,044	42,720,934	15,546,250	29,462,408	2,751,358
Manufacturing.....	15,358,288	3,618,287	134,312	943,443	444,728	32,851,872	4,113,123,804	1,411,948,242	1,807,067,491	128,364,185
Food and kindred products.....	1,283,299	525,965	*11	52,323	61,194	3,983,558	352,219,083	118,040,540	134,077,060	9,365,078
Meat products.....	4,984	-	-	10,030	*1,692	307,075	20,989,277	8,127,477	12,546,426	713,493
Dairy products.....	*21,206	-	*11	3,034	2,684	176,130	19,313,631	8,390,007	8,662,246	614,746
Preserved fruits and vegetables.....	108,925	-	-	7,039	*3,818	432,141	29,543,038	11,630,055	9,966,252	773,326
Grain mill products.....	257,960	1,987	-	16,109	*31,657	1,050,167	49,302,049	16,842,304	24,659,395	1,690,071
Bakery products.....	*223	519	-	3,379	*4,229	145,786	10,014,442	4,075,845	7,325,088	538,726
Sugar and confectionery products.....	106,303	7,176	-	*590	*2,369	259,754	14,950,368	7,219,298	7,675,746	489,883
Malt liquors and malt.....	2,227	-	-	2,828	-	459,170	23,119,895	9,795,770	14,186,473	750,973
Alcoholic beverages, except malt liquors and malt.....	85,605	29,920	-	834	9,128	148,864	26,210,068	11,806,038	3,329,680	224,991
Bottled soft drinks and flavorings.....	*573,248	462,606	-	*1,893	3,424	432,289	102,301,410	18,270,229	21,897,370	1,771,049
Other food and kindred products.....	122,618	23,757	-	6,588	*2,193	572,181	56,474,906	21,883,517	23,828,384	1,797,819
Tobacco manufactures.....	377,791	29,193	-	*2,979	-	2,006,632	201,988,634	71,084,349	20,606,550	2,579,470
Textile mill products.....	31,006	1,816	-	17,057	17,384	711,793	52,416,517	19,795,399	30,849,813	2,189,493
Weaving mills and textile finishings.....	*8,020	-	-	6,370	9,071	296,205	16,256,787	7,425,547	10,977,265	689,690
Knitting mills.....	13	-	-	*3,987	*747	86,208	4,650,920	2,053,288	3,178,160	205,464
Other textile mill products.....	22,972	1,816	-	6,700	*7,566	329,379	31,508,810	10,316,565	16,694,388	1,294,339
Apparel and other textile products.....	158,179	56,203	-	6,061	*2,412	688,188	44,824,032	16,956,284	12,479,651	997,363
Men's and boys' clothing.....	150,903	29,539	-	4,358	*850	418,707	21,653,292	8,851,842	5,930,564	466,937
Women's and children's clothing.....	*6,439	16,117	-	745	82	168,107	11,541,303	3,824,090	2,491,884	204,593
Other apparel and accessories.....	*489	6,330	-	*677	*4	43,289	5,709,795	1,802,557	1,508,773	150,380
Miscellaneous fabricated textile products; textile products, not elsewhere classified..	349	4,216	-	*280	*1,476	58,084	5,919,642	2,477,795	2,548,431	175,453
Lumber and wood products.....	5,566	-	*6,306	7,652	15,034	655,994	65,386,053	24,034,236	40,142,540	2,253,430
Logging, sawmills, and planing mills.....	*2,894	-	*1,201	2,549	7,069	331,256	32,460,821	12,515,854	18,745,751	968,196
Millwork, plywood, and related products.....	1,462	-	-	1,740	*603	195,427	22,394,926	8,730,666	15,481,981	900,284
Other wood products, including wood buildings and mobile homes.....	1,210	-	5,104	3,363	*7,363	129,311	10,530,305	2,787,716	5,914,809	384,950
Furniture and fixtures.....	56,727	106	-	3,958	*4,969	379,773	20,837,411	8,306,675	11,122,516	759,696
Paper and allied products.....	400,325	4,700	27	16,216	5,090	1,257,222	155,511,313	53,319,602	109,522,442	7,722,869
Pulp, paper, and board mills.....	103,051	-	27	770	*2,016	505,666	102,988,092	37,261,195	76,046,344	5,259,815
Other paper products.....	297,274	4,700	-	15,446	3,074	751,556	52,523,220	16,058,407	33,476,098	2,463,054
Printing and publishing.....	322,993	5,224	*4	27,748	27,471	2,423,680	208,473,988	87,031,424	77,183,638	6,156,607
Newspapers.....	45,760	3,453	*4	5,979	15,725	1,071,804	83,092,612	34,818,779	28,094,717	1,920,867
Periodicals.....	247,771	-	-	*3,329	2,701	210,896	47,336,096	26,644,183	6,122,219	642,349
Books, greeting cards, and miscellaneous publishing.....	27,642	19	-	3,606	*445	437,876	37,960,782	11,819,724	10,701,522	1,011,185
Commercial and other printing, and printing trade services.....	1,820	1,752	-	14,834	8,600	703,105	40,084,498	13,748,738	32,265,179	2,582,206
Chemical and allied products.....	3,378,382	2,174,742	*248	256,656	34,832	5,874,603	541,974,909	215,182,788	231,715,619	15,482,513
Industrial chemicals, plastics materials and synthetics.....	996,491	77,731	233	37,152	22,745	1,235,059	250,276,286	95,799,690	133,470,273	8,465,852
Drugs.....	1,612,647	2,033,404	*6	180,538	6,560	3,068,880	164,349,008	75,491,855	52,116,663	3,708,941
Soaps, cleaners, and toilet goods.....	626,216	21,743	-	19,334	*3,079	940,669	77,770,548	26,615,648	23,825,026	1,773,584
Paints and allied products.....	8,205	2,909	-	3,183	*16	203,877	6,240,705	3,306,988	2,947,626	201,567
Agriculture and other chemical products.....	134,823	38,956	*8	16,449	*2,432	426,118	43,338,361	13,968,607	19,356,032	1,332,569

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 1—Number of Returns, Selected Receipts, Cost of Sales and Operations, Net Income, Deficit, Income Subject to Tax, Total Income Tax, Selected Credits, Total Assets, Net Worth, Depreciable Assets, Depreciation Deduction, and Coefficients of Variation, by Minor Industry—Continued

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

Minor industry	Foreign tax credit	U.S. possessions tax credit	Nonconventional source fuel credit	General business credit	Prior year minimum tax credit	Total income tax after credits ^a	Total assets	Net worth	Depreciable assets	Depreciation deduction
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Manufacturing—Continued										
Petroleum (including integrated) and coal products.....	4,377,392	10,000	126,969	117,746	31,434	2,281,936	607,569,866	285,720,338	323,021,794	13,058,405
Petroleum refining (including integrated).....	4,377,326	10,000	126,969	114,428	*30,527	2,248,278	604,703,390	284,627,350	321,077,302	12,919,641
Petroleum and coal products, not elsewhere classified.....	*66	-	-	*3,318	*908	33,657	2,866,476	1,092,988	1,944,492	138,764
Rubber and miscellaneous plastics products.....	221,362	13,732	23	7,849	22,208	597,754	60,422,864	19,633,068	39,710,049	2,849,296
Rubber products; plastics footwear, hose and belting.....	169,033	588	23	2,646	*18,205	298,777	29,393,930	8,842,833	19,016,609	1,193,181
Miscellaneous plastics products.....	52,328	13,145	-	5,202	4,004	298,977	31,028,934	10,790,234	20,693,440	1,656,115
Leather and leather products.....	3,973	15,100	-	4,500	2,812	143,776	17,778,904	2,043,912	5,668,224	346,941
Footwear, except rubber.....	3,824	8,826	-	3,937	2,612	109,528	15,569,525	1,225,864	4,946,677	293,120
Leather and leather products, not elsewhere classified.....	*149	6,275	-	*562	200	34,248	2,209,379	818,048	721,547	53,821
Stone, clay, and glass products.....	93,983	8,227	9	11,926	4,406	481,317	84,225,526	26,636,550	44,142,398	2,450,715
Glass products.....	*93,198	2,121	-	6,120	*1,023	262,445	46,288,001	14,494,275	17,716,177	909,066
Cement, hydraulic.....	14	-	-	214	615	22,704	9,211,801	3,026,739	7,145,090	305,447
Concrete, gypsum, and plaster products.....	4	5,063	9	*2,384	1,417	112,117	15,164,505	3,106,096	12,065,358	757,524
Other nonmetallic mineral products.....	*767	1,042	(?)	3,208	*1,350	84,052	13,561,220	6,009,441	7,215,773	478,677
Primary metal industries.....	137,689	-	69	4,612	16,780	563,571	124,782,099	31,440,896	84,126,703	5,088,856
Ferrous metal industries, miscellaneous primary mineral products.....	33,037	-	69	1,912	9,735	317,151	59,046,676	6,365,609	42,222,365	2,519,703
Nonferrous metal industries.....	104,652	-	-	2,700	*7,045	246,419	65,735,423	25,075,287	41,904,337	2,569,154
Fabricated metal products.....	290,572	5,384	357	26,502	15,910	1,421,283	123,633,479	51,120,833	68,196,963	4,509,370
Metal cans and shipping containers.....	1,498	3,203	-	*117	264	60,575	6,255,508	1,926,989	4,179,440	244,807
Cutlery, hand tools, and hardware; screw machine products, bolts, and similar products.....	157,163	880	-	4,004	*2,800	258,259	19,972,224	10,990,827	8,284,857	527,173
Plumbing and heating, except electric and warm air.....	*43,371	-	-	*894	*3,030	121,684	10,113,396	4,857,699	3,643,481	225,749
Fabricated structural metal products.....	25,171	-	-	4,226	2,363	236,371	26,374,615	9,446,430	13,523,148	800,121
Metal forgings and stampings.....	658	-	-	1,505	1,158	100,106	11,921,421	4,891,596	8,961,166	591,362
Coating, engraving, and allied services.....	*41	45	-	*779	*927	27,552	2,789,170	1,025,230	2,438,698	173,275
Ordnance and accessories, except vehicles and guided missiles.....	29	-	-	996	-	*27,925	1,348,192	348,447	536,880	44,010
Miscellaneous fabricated metal products.....	62,640	1,255	357	13,982	5,367	588,812	44,858,952	17,633,615	26,629,292	1,902,873
Machinery, except electrical.....	2,097,925	20,301	-	78,560	16,354	1,681,804	255,643,215	83,382,474	123,752,030	9,380,532
Farm machinery.....	*2,311	-	-	1,041	25	68,355	15,052,226	3,843,299	5,489,572	365,336
Construction and related machinery.....	*65,980	-	-	3,401	*3,219	56,453	32,789,850	8,677,450	12,728,394	1,059,404
Metalworking machinery.....	*15,860	650	-	*507	*1,070	99,482	18,455,147	5,660,243	9,407,115	618,645
Special industry machinery.....	43,579	70	-	3,467	*2,127	138,069	19,835,406	7,091,955	7,857,584	587,855
General industrial machinery.....	142,844	16,279	-	10,462	*2,333	295,035	29,987,102	12,256,241	15,247,157	978,542
Office, computing, and accounting machines.....	1,741,011	3,302	-	56,157	*3,568	811,158	111,453,425	38,463,430	60,881,195	4,968,962
Other machinery, except electrical.....	86,341	-	-	3,525	*4,012	213,251	28,070,059	7,389,855	12,141,013	801,789
Electrical and electronic equipment.....	891,443	330,853	159	187,465	44,215	3,364,293	433,400,331	113,416,735	161,134,348	16,918,925
Household appliances.....	*23,019	-	-	2,531	*3,556	182,376	16,787,260	6,090,619	6,301,619	529,640
Radio, television, and communication equipment.....	143,819	67,343	-	27,687	*4,684	330,035	39,192,764	15,941,748	16,198,197	1,982,420
Electronic components and accessories.....	437,245	61,033	159	125,796	33,354	1,394,442	109,961,838	49,405,694	49,644,423	4,348,628
Other electrical equipment.....	287,359	202,477	-	31,452	2,620	1,457,440	267,458,469	41,978,675	88,990,109	10,058,238
Motor vehicles and equipment.....	266,536	11,668	-	18,617	40,151	839,329	418,519,769	68,353,851	146,329,527	16,993,271
Transportation equipment, except motor vehicles.....	87,167	601	130	12,202	22,598	1,568,834	140,872,780	39,783,986	69,042,722	3,525,790
Aircraft, guided missiles and parts.....	78,638	529	130	7,441	*17,392	1,404,049	127,050,793	35,489,382	62,141,723	2,998,074
Ship and boat building and repairing.....	100	72	-	*2,302	1,868	32,433	5,202,152	1,714,182	2,936,398	167,976
Other transportation equipment, except motor vehicles.....	8,429	-	-	2,459	*3,338	132,352	8,619,835	2,580,422	3,964,601	359,740
Instruments and related products.....	704,461	378,149	-	64,421	54,521	1,210,584	129,941,756	50,769,238	49,493,113	3,810,044
Scientific instruments and measuring devices; watches and clocks.....	208,622	145,652	-	18,842	3,507	347,281	38,866,605	19,186,442	14,815,883	1,417,733
Optical, medical, and ophthalmic goods.....	113,111	232,497	-	39,409	2,880	610,005	39,156,972	19,332,900	12,696,704	1,153,851
Photographic equipment and supplies.....	*382,727	-	-	6,170	48,133	253,298	51,918,179	12,249,896	21,980,526	1,238,460
Miscellaneous manufacturing and manufacturing not allocable.....	171,518	27,322	-	18,393	4,952	715,750	72,701,276	25,895,063	24,749,792	1,925,530
Transportation and public utilities.....	478,522	58,729	58,112	352,638	366,463	16,627,618	1,841,897,827	535,664,915	1,431,273,184	85,849,931
Transportation.....	41,534	60	*655	57,166	78,528	2,300,474	298,740,818	62,615,663	279,967,130	19,945,522
Railroad transportation.....	39	-	655	14,395	24,024	564,895	88,686,105	31,433,779	86,822,521	3,273,777
Local and interurban passenger transit.....	-	-	-	*438	*1,211	52,218	4,950,758	1,405,927	5,142,094	565,658
Trucking and warehousing.....	21,938	60	(?)	26,343	20,632	924,123	60,006,885	19,662,920	61,727,245	6,038,674
Water transportation.....	10,456	-	-	9,040	*21,476	176,551	20,506,503	6,148,270	18,431,000	987,761
Transportation by air.....	*1,145	-	-	*2,149	*5,754	186,883	93,890,000	-490,331	82,208,446	7,022,147
Pipe lines, except natural gas.....	*5,599	-	-	-	*420	202,650	2,762,411	501,153	3,955,055	81,472
Transportation services, not elsewhere classified.....	*2,356	-	-	4,801	5,010	193,155	27,938,155	3,953,945	21,680,771	1,976,034

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 1—Number of Returns, Selected Receipts, Cost of Sales and Operations, Net Income, Deficit, Income Subject to Tax, Total Income Tax, Selected Credits, Total Assets, Net Worth, Depreciable Assets, Depreciation Deduction, and Coefficients of Variation, by Minor Industry—Continued

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

Minor industry	Foreign tax credit	U.S. possessions tax credit	Nonconventional source fuel credit	General business credit	Prior year minimum tax credit	Total income tax after credits ^a	Total assets	Net worth	Depreciable assets	Depreciation deduction
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Transportation and public utilities										
—Continued										
Communication.....	362,923	58,669	42	116,402	108,748	6,819,566	569,486,428	209,126,266	389,016,545	31,811,481
Telephone, telegraph, and other communication services.....	344,663	58,669	1	107,582	106,638	6,143,482	478,670,253	197,040,480	354,505,962	29,114,529
Radio and television broadcasting.....	*18,260	-	41	8,819	*2,110	676,085	90,816,175	12,085,786	34,510,583	2,696,952
Electric, gas, and sanitary services.....	74,065	-	57,415	179,070	179,188	7,507,577	773,770,581	263,922,986	762,289,509	34,192,928
Electric services.....	535	-	11,415	72,992	82,103	3,613,678	383,687,900	132,498,848	396,079,175	17,443,907
Gas production and distribution.....	51,036	-	29,628	30,368	67,872	1,320,486	129,214,013	39,199,346	102,946,050	4,319,079
Combination utility services.....	11,184	-	5,489	72,565	27,223	2,184,417	222,095,576	79,068,360	232,706,479	10,161,133
Water supply and other sanitary services.....	11,309	-	*10,883	3,144	1,989	388,997	38,773,093	13,156,433	30,557,805	2,268,808
Wholesale and retail trade.....	1,242,782	29,971	1,489	248,272	164,532	13,167,318	1,581,910,771	404,190,513	612,583,011	45,169,556
Wholesale trade.....	950,735	4,940	1,433	48,040	53,452	5,271,388	762,872,402	188,018,195	180,296,362	19,053,747
Groceries and related products.....	*2,215	-	628	4,741	4,859	595,139	55,040,835	18,813,428	20,367,714	1,664,486
Machinery, equipment, and supplies.....	17,708	124	*482	4,305	5,261	564,152	68,286,483	20,687,316	19,236,093	2,225,721
Miscellaneous wholesale trade.....	930,812	4,816	*324	38,994	43,331	4,112,096	629,545,084	146,517,450	140,692,555	15,163,540
Motor vehicles and automotive equipment.....	262,647	-	-	2,159	9,170	566,466	83,118,164	22,403,125	30,114,605	6,286,865
Furniture and home furnishings.....	*89	-	-	*263	*27	69,718	5,495,427	1,978,447	1,417,328	111,353
Lumber and construction materials.....	*57	1,658	4	*766	*1,858	114,411	20,082,734	6,194,742	7,114,713	503,347
Sporting, recreational, photographic, and hobby goods, toys and supplies.....	*3,145	-	-	*285	*166	112,787	14,644,073	3,421,130	2,902,688	335,522
Metals and minerals, except petroleum and scrap.....	3,970	7	*13	*419	*838	133,559	29,878,932	7,777,920	6,031,911	438,372
Electrical goods.....	20,795	-	*50	4,269	3,136	522,328	64,691,721	15,895,621	14,300,501	1,395,003
Hardware, plumbing, and heating equipment and supplies.....	*1,955	-	-	*501	*1,077	178,670	19,705,791	7,437,329	5,060,766	385,322
Other durable goods.....	14,038	155	-	5,106	8,704	547,259	62,675,258	17,476,186	13,868,127	1,201,716
Paper and paper products.....	*892	33	-	*92	703	82,838	11,285,530	3,517,547	3,293,521	235,018
Drugs, drug proprietaries, and druggists' sundries.....	3,603	2,743	-	6,950	3,264	261,400	21,720,590	6,668,317	3,509,502	313,908
Apparel, piece goods, and notions.....	*103,680	-	-	*607	*629	317,830	26,744,213	7,474,330	3,905,095	334,340
Farm-product raw materials.....	*115,228	189	-	8,070	2,686	195,106	36,392,983	10,856,036	12,194,112	805,758
Chemicals and allied products.....	*3,109	-	-	*1,328	*1,168	100,364	10,309,454	3,405,796	3,849,901	304,008
Petroleum and petroleum products.....	*344,766	-	*16	1,247	3,133	230,251	163,043,861	12,260,038	15,232,480	1,126,790
Alcoholic beverages.....	2,739	-	-	*444	*4,158	185,656	18,132,294	6,727,155	6,145,969	429,851
Miscellaneous nondurable goods; wholesale trade not allocable.....	50,099	30	241	6,488	2,615	493,451	41,624,059	13,023,730	11,751,337	956,368
Retail trade.....	291,984	25,031	*56	200,142	110,552	7,857,883	826,573,112	217,527,351	331,444,289	26,020,026
Building materials, garden supplies, and mobile home dealers.....	*59	-	-	6,333	2,364	458,973	39,228,156	15,391,349	15,816,493	1,089,439
Building material dealers.....	*1	-	-	5,937	*2,286	378,833	26,942,369	11,309,766	11,196,022	777,227
Hardware stores.....	-	-	-	*291	41	27,734	6,405,261	2,296,024	2,152,769	148,323
Garden supplies and mobile home dealers.....	58	-	-	*105	*37	52,406	5,880,525	1,785,559	2,467,703	163,888
General merchandise stores.....	52,305	15,156	(?)	67,730	54,854	2,568,239	291,199,062	68,437,044	73,044,729	5,378,318
Food stores.....	10,957	7,740	-	33,279	17,021	1,286,010	99,651,937	19,874,615	66,152,696	5,044,127
Grocery stores.....	10,774	7,740	-	30,865	14,640	1,245,623	92,951,897	18,311,556	60,725,801	4,627,805
Other food stores.....	183	-	-	*2,415	*2,381	40,387	6,700,039	1,563,059	5,426,894	416,321
Automotive dealers and service stations.....	*156	1,187	*51	8,744	11,298	459,380	113,070,252	22,167,418	34,402,269	3,132,163
Motor vehicle dealers.....	116	-	*51	5,781	9,557	247,397	84,018,474	13,091,305	19,034,673	1,846,464
Gasoline service stations.....	*40	-	-	*933	*1,153	44,395	10,460,328	3,466,830	8,008,530	603,288
Other automotive dealers.....	-	1,187	-	2,030	*588	167,588	18,591,450	5,609,283	7,359,066	682,411
Apparel and accessory stores.....	42,369	20	-	16,468	4,146	902,881	48,312,186	20,910,284	20,662,860	1,808,196
Furniture and home furnishings stores.....	1,109	-	-	*2,150	*2,828	249,010	27,508,620	10,475,805	9,373,313	737,929
Eating and drinking places.....	171,488	928	1	42,580	2,254	704,221	85,791,226	21,387,275	67,028,231	4,769,269
Miscellaneous retail stores.....	13,541	-	*4	22,858	15,786	1,229,169	121,811,673	38,883,560	44,963,697	4,060,585
Drug stores and proprietary stores.....	*75	-	-	6,347	*573	20,102,439	6,317,786	7,519,255	632,431	
Liquor stores.....	-	-	*2	*104	*623	27,348	3,774,310	1,371,466	1,418,803	81,458
Other retail stores.....	13,466	-	2	16,406	14,590	918,813	97,934,924	31,194,308	36,025,638	3,346,696
Wholesale and retail trade not allocable.....	83	-	-	*90	*529	28,047	2,465,257	644,967	842,867	85,783
Finance, insurance, and real estate.....	3,155,108	22,486	18,700	204,908	1,128,382	30,902,544	11,480,469,997	2,949,156,395	398,548,440	33,658,815
Banking.....	1,752,584	7,191	2,620	94,403	642,920	10,933,385	4,162,296,420	384,818,774	96,906,242	15,077,920
Mutual savings banks.....	28	-	-	2,406	949	459,703	96,449,184	7,810,638	1,386,924	112,827
Bank holding companies.....	1,750,193	-	2,620	85,731	616,792	8,500,108	3,700,123,349	350,901,983	87,302,759	13,607,147
Banks, except mutual savings banks and bank holding companies.....	2,362	7,191	-	6,265	25,179	1,973,574	365,723,887	26,106,153	8,216,559	1,357,946
Credit agencies other than banks.....	130,673	14,546	3	50,141	60,265	5,398,671	1,666,262,082	110,370,026	31,015,096	2,999,466
Savings and loan associations.....	*300	11,282	-	13,441	7,877	2,911,202	846,577,978	35,277,152	15,385,215	1,026,252
Personal credit institutions.....	*18,770	1,008	-	3,859	34,427	403,431	96,413,943	20,135,287	3,024,882	222,592
Business credit institutions.....	1,358	1,098	-	*715	10,993	131,912	114,432,243	5,965,697	3,726,313	759,787
Other credit agencies; finance not allocable.....	110,245	1,158	3	32,125	6,967	1,952,126	608,837,918	48,991,890	8,878,685	990,835
Security, commodity brokers and services.....	273,656	-	*13	7,489	116,940	1,596,314	604,073,850	32,549,405	9,482,770	969,380
Security brokers, dealers, and flotation companies.....	270,092	-	5	7,058	116,190	1,328,270	567,908,254	27,094,220	6,216,255	690,580

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 1--Number of Returns, Selected Receipts, Cost of Sales and Operations, Net Income, Deficit, Income Subject to Tax, Total Income Tax, Selected Credits, Total Assets, Net Worth, Depreciable Assets, Depreciation Deduction, and Coefficients of Variation, by Minor Industry--Continued

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

Minor industry	Foreign tax credit	U.S. possessions tax credit	Nonconventional source fuel credit	General business credit	Prior year minimum tax credit	Total income tax after credits ³	Total assets	Net worth	Depreciable assets	Depreciation deduction
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Finance, Insurance, and real estate										
-Continued										
Commodity contracts brokers and dealers; security and commodity exchanges; and allied services.....	*3,564	-	*9	*431	750	268,044	36,165,595	5,455,185	3,266,515	278,800
Insurance.....	756,653	(²)	5,280	36,112	279,432	10,550,382	2,484,983,476	437,274,923	42,486,839	6,771,230
Life insurance.....	419,628	-	4,999	25,394	102,418	6,475,072	1,720,951,241	224,474,823	18,852,113	4,019,154
Mutual property and casualty insurance companies.....	44,391	(²)	13	7,037	54,284	1,444,531	255,580,836	68,555,419	6,560,060	985,506
Stock property and casualty insurance companies and other insurance companies.....	292,634	-	267	3,681	122,731	2,630,779	508,451,399	144,244,681	17,074,665	1,766,570
Insurance agents, brokers, and service.....	121,303	-	*545	3,762	1,755	421,596	40,391,439	12,412,648	8,165,637	687,219
Real estate.....	1,447	749	2,382	11,098	20,045	1,051,435	352,540,372	76,372,718	179,004,045	5,172,407
Real estate operators and lessors of buildings.....	489	69	*12	3,864	4,539	524,126	141,757,383	30,210,892	101,726,042	2,665,574
Lessors of mining, oil, and similar property..	*19	-	*646	*46	*270	68,520	1,905,704	576,523	748,023	10,945
Lessors of railroad property, and of real property, not elsewhere classified.....	(²)	-	-	-	-	18,232	1,437,735	755,920	616,479	16,060
Condominium management and cooperative housing associations.....	-	680	-	-	*4	22,555	32,887,160	17,005,471	29,063,882	829,377
Subdividers and developers.....	*11	-	*1,571	*1,384	13,715	180,331	91,803,590	16,001,046	20,441,939	636,485
Other real estate.....	*928	-	*153	5,803	1,517	237,671	82,748,800	11,822,865	26,407,681	1,013,966
Holding and other investment companies, except bank holding companies.....	118,791	-	*7,856	1,903	8,024	950,761	2,169,922,358	1,895,357,901	31,487,811	1,981,193
Regulated investment companies.....	-	-	-	-	-	41,567	1,897,299,692	1,814,911,654	6,933	368
Real estate investment trusts.....	-	-	-	6	-	230	52,450,334	20,622,575	18,479,494	476,515
Small business investment companies.....	3,639	-	-	-	*283	25,865	4,461,447	1,732,177	412,942	16,204
Other holding and investment companies, except bank holding companies.....	115,153	-	*7,856	1,897	7,741	883,099	215,710,885	58,091,495	12,588,442	1,488,107
Services.....	554,954	11,230	*240	107,075	89,545	5,147,284	661,597,099	186,588,365	341,257,809	35,004,887
Hotels and other lodging places.....	*38,345	4,699	-	7,205	*2,061	285,567	60,142,405	12,733,109	42,826,031	2,235,004
Personal services.....	13,653	-	-	*4,655	*2,469	312,090	20,939,887	8,174,927	15,985,030	1,310,700
Business services.....	345,867	3,121	-	48,188	31,297	1,862,747	241,016,524	69,020,846	97,878,008	12,307,011
Advertising.....	70,430	-	-	*638	*99	120,178	28,603,005	6,403,752	7,259,479	559,534
Business services, except advertising.....	275,437	3,121	-	47,550	31,198	1,742,569	212,413,519	62,617,094	90,618,530	11,747,478
Auto repair; miscellaneous repair services.....	*626	-	-	16,645	40,193	300,749	51,730,140	12,393,987	42,932,252	6,762,160
Auto repair and services.....	*446	-	-	15,828	39,969	200,475	42,551,610	8,878,615	36,941,644	6,236,745
Miscellaneous repair services.....	*181	-	-	*816	*224	100,274	9,178,530	3,515,371	5,990,609	525,415
Amusement and recreation services.....	129,628	269	26	7,436	4,762	587,800	117,195,376	39,587,914	55,322,445	5,623,764
Motion picture production, distribution, and services.....	37,696	-	-	*520	*356	125,926	51,038,196	19,608,776	8,716,296	1,772,847
Motion picture theaters.....	84	-	-	*255	-	23,729	5,165,055	1,517,269	3,623,181	200,541
Amusement and recreation services, except motion pictures.....	91,848	269	26	6,661	4,406	438,146	60,992,125	18,461,870	42,982,967	3,650,376
Other services.....	26,835	3,140	*215	22,947	18,762	1,798,341	170,572,767	54,677,582	86,314,142	6,766,048
Offices of physicians, including osteopathic physicians.....	-	-	-	*71	-	28,361	5,824,232	1,340,584	5,121,285	392,436
Offices of dentists.....	-	-	-	-	-	*1,225	1,757,958	582,820	2,392,951	159,148
Offices of other health practitioners.....	-	-	-	*69	-	8,369	1,796,944	645,048	1,324,176	136,189
Nursing and personal care facilities.....	59	-	-	8,146	9,877	145,225	22,418,328	3,872,281	15,433,530	760,798
Hospitals.....	35	2,191	-	2,081	*1,536	424,449	41,735,867	16,050,456	18,915,929	1,332,907
Medical laboratories.....	*1,144	-	-	*3,077	*455	102,388	4,895,639	2,416,787	2,197,373	233,092
Other medical services.....	1,154	321	-	3,365	2,147	486,851	22,341,786	8,844,331	8,586,587	905,666
Legal services.....	-	-	-	-	-	*1,731	2,814,058	962,344	1,712,440	121,082
Educational services.....	*4,542	307	-	*443	*243	63,083	7,623,837	2,245,736	4,284,524	321,324
Social services.....	-	-	-	*625	-	17,211	1,895,561	186,537	1,566,549	118,491
Membership organizations.....	*82	-	-	*510	*520	42,681	4,314,737	1,973,731	2,263,528	145,953
Architectural and engineering services.....	13,660	92	*215	2,929	*1,348	215,110	18,538,789	6,143,935	7,962,425	724,095
Accounting, auditing, and bookkeeping services.....	28	-	-	*56	*133	21,319	1,892,976	524,322	1,196,184	91,560
Miscellaneous services (including veterinarians), not elsewhere classified.....	*6,131	229	-	1,576	2,504	240,338	32,722,053	8,888,671	13,356,662	1,323,309
Nature of business not allocable.....	-	318	-	-	-	2,911	1,971,824	87,926	751,629	64,526

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 1--Number of Returns, Selected Receipts, Cost of Sales and Operations, Net Income, Deficit, Income Subject to Tax, Total Income Tax, Selected Credits, Total Assets, Net Worth, Depreciable Assets, Depreciation Deduction, and Coefficients of Variation, by Minor Industry--Continued

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

Minor industry	Coefficient of variation (Percent)									
	Number of returns		Total receipts		Business receipts	Cost of sales and operations	Net income	Deficit	Income subject to tax	Total income tax
	Total	With net income	All returns	Returns with net income						
(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	
Total returns of active corporations.....	0.05	0.74	0.18	0.22	0.20	0.26	0.15	0.47	0.12	0.11
Agriculture, forestry, and fishing.....	3.82	4.98	3.42	4.28	3.54	4.79	3.56	4.85	3.76	3.57
Agricultural production.....	4.40	5.65	4.08	5.21	4.23	5.99	3.98	5.98	3.90	3.56
Agricultural services, (except veterinarians), forestry, fishing, hunting, and trapping.....	6.94	8.98	6.23	7.50	6.36	8.00	7.57	8.30	9.89	9.95
Mining.....	7.81	11.33	1.27	1.74	1.36	1.35	1.83	3.22	1.08	0.81
Metal mining.....	34.40	34.90	1.83	2.16	1.90	1.61	2.32	4.85	1.32	1.26
Copper, lead and zinc, gold and silver ores	41.61	34.85	1.22	1.21	1.18	1.50	2.60	5.08	1.51	1.42
Other metal mining ¹	59.58	59.38	7.27	8.41	7.75	4.64	7.99	16.06	1.96	1.96
Coal mining.....	26.26	28.00	4.02	4.97	4.33	4.28	4.66	10.44	2.00	1.78
Oil and gas extraction.....	9.10	13.02	1.47	2.21	1.58	1.52	2.37	4.04	1.34	1.16
Crude petroleum, natural gas, and natural gas liquids.....	11.88	17.14	0.92	2.00	0.93	0.77	2.32	4.60	1.15	1.04
Oil and gas field services.....	14.12	20.03	5.43	5.53	5.89	7.28	7.26	8.02	6.80	5.72
Nonmetallic minerals, except fuels.....	20.95	21.44	4.73	5.54	4.84	5.16	7.39	15.41	6.52	5.35
Dimension, crushed, and broken stone; sand and gravel.....	21.61	22.24	5.55	6.57	5.69	6.00	9.05	17.43	8.64	7.35
Other nonmetallic minerals, except fuels.....	28.51	40.19	9.08	10.30	9.20	10.07	11.83	32.63	5.14	4.60
Construction.....	2.38	3.20	1.42	1.72	1.44	1.50	2.14	2.93	2.64	2.55
General building contractors and operative builders.....	3.87	5.14	2.21	2.65	2.25	2.31	3.28	4.25	4.14	3.92
General building contractors.....	3.91	5.19	2.31	2.78	2.34	2.39	3.48	4.47	4.48	4.33
Operative builders.....	27.08	37.39	5.40	5.51	6.04	6.44	5.90	12.28	2.86	2.27
Heavy construction contractors.....	8.42	10.27	2.75	3.01	2.81	2.83	4.21	8.15	4.56	4.20
Special trade contractors.....	3.35	4.44	2.44	3.07	2.45	2.61	3.66	4.69	4.85	5.14
Plumbing, heating, and air conditioning.....	7.89	9.62	5.36	6.31	5.38	5.58	8.00	12.68	10.28	10.77
Electrical work.....	9.37	12.34	5.62	7.61	5.67	5.79	8.83	10.20	11.40	12.13
Other special trade contractors and contractors not allocable.....	4.12	5.53	3.18	4.00	3.18	3.46	4.65	5.81	6.32	6.71
Manufacturing.....	2.43	3.03	0.25	0.30	0.27	0.32	0.24	0.82	0.17	0.15
Food and kindred products.....	10.03	11.96	1.06	1.14	1.10	1.35	0.76	3.54	0.51	0.48
Meat products.....	18.75	23.89	4.24	4.90	4.29	4.48	4.02	7.93	3.07	2.80
Dairy products.....	38.19	45.53	4.85	5.21	4.92	5.51	5.69	7.91	5.61	5.41
Preserved fruits and vegetables.....	25.06	19.76	2.80	3.39	2.88	3.37	2.14	11.89	1.78	1.74
Grain mill products.....	31.59	21.23	1.51	1.48	1.56	1.99	0.81	17.71	0.60	0.59
Bakery products.....	27.84	31.90	5.81	6.32	5.85	6.48	7.38	26.03	6.08	5.09
Sugar and confectionery products.....	27.48	30.61	3.94	4.38	4.03	4.91	3.51	13.98	1.56	1.50
Malt liquors and malt.....	54.50	72.16	1.81	0.86	1.85	2.56	1.19	13.90	0.05	0.05
Alcoholic beverages, except malt liquors and malt.....	26.15	30.16	2.64	2.97	2.89	3.23	2.82	16.34	2.32	2.30
Bottled soft drinks and flavorings.....	16.30	18.36	1.86	2.17	2.04	2.67	1.15	4.74	0.68	0.63
Other food and kindred products.....	19.28	25.90	2.09	2.31	2.14	2.36	2.58	10.19	2.03	1.89
Tobacco manufactures.....	76.76	***	0.17	***	0.19	0.25	***	***	0.13	0.10
Textile mill products.....	17.87	19.72	2.32	2.63	2.34	2.53	2.34	6.31	1.88	1.84
Weaving mills and textile finishings.....	24.68	26.77	3.46	3.74	3.53	3.87	3.42	8.15	2.67	2.60
Knitting mills.....	36.39	43.63	10.59	11.49	10.62	11.20	9.87	31.34	8.20	8.14
Other textile mill products.....	23.47	25.55	2.84	3.37	2.87	3.05	3.12	8.07	2.49	2.44
Apparel and other textile products.....	11.30	14.80	2.97	3.35	3.01	3.17	2.31	5.73	1.66	1.61
Men's and boys' clothing.....	36.82	27.77	2.73	2.95	2.83	3.13	1.80	8.81	1.18	1.16
Women's and children's clothing.....	19.74	25.01	6.16	7.21	6.19	6.36	5.03	9.33	5.02	4.96
Other apparel and accessories.....	23.00	30.65	7.94	10.09	8.01	8.53	10.27	13.62	8.71	8.26
Miscellaneous fabricated textile products; textile products, not elsewhere classified.....	19.31	25.92	8.09	9.28	8.12	8.37	10.11	19.61	11.84	11.87
Lumber and wood products.....	10.34	12.77	2.71	2.87	2.78	2.81	3.53	10.89	3.35	2.90
Logging, sawmills, and planing mills.....	15.11	18.37	4.53	4.73	4.74	4.62	4.88	20.25	4.64	4.05
Millwork, plywood, and related products.....	21.10	25.36	3.61	3.95	3.64	3.84	6.66	16.03	5.65	4.47
Other wood products, including wood buildings and mobile homes.....	19.00	24.21	6.61	7.02	6.77	7.07	7.70	19.01	8.02	7.74
Furniture and fixtures.....	14.51	18.10	3.90	3.91	3.98	4.46	3.50	12.12	2.45	2.25
Paper and allied products.....	18.14	15.86	1.01	1.47	1.04	1.13	1.34	1.59	0.77	0.65
Pulp, paper, and board mills.....	18.61	23.49	0.47	0.75	0.49	0.54	2.09	0.65	0.76	0.54
Other paper products.....	19.15	16.76	2.14	2.76	2.21	2.40	1.67	6.41	1.04	0.98
Printing and publishing.....	6.87	8.63	1.83	2.03	1.91	2.69	1.42	5.23	1.01	0.95
Newspapers.....	21.13	28.06	1.67	1.56	1.75	2.38	1.56	11.16	1.07	1.05
Periodicals.....	19.62	24.85	3.33	3.55	3.59	3.85	3.47	10.36	2.36	2.30
Books, greeting cards, and miscellaneous publishing.....	16.91	22.15	3.64	4.44	3.85	5.52	3.62	13.65	2.37	2.16
Commercial and other printing, and printing trade services.....	8.71	10.74	4.10	4.84	4.15	4.97	3.22	8.48	2.77	2.56
Chemical and allied products.....	11.50	13.75	0.39	0.42	0.42	0.50	0.31	2.27	0.20	0.19
Industrial chemicals, plastics materials and synthetics.....	17.72	20.19	0.60	0.70	0.65	0.69	0.89	2.93	0.60	0.56
Drugs.....	33.93	45.16	0.38	0.35	0.42	0.69	0.17	6.22	0.13	0.13
Soaps, cleaners, and toilet goods.....	29.17	30.67	0.82	0.83	0.87	0.83	0.88	5.58	0.59	0.55
Paints and allied products.....	20.23	23.42	5.87	5.79	5.90	6.64	5.26	37.80	4.47	4.42
Agriculture and other chemical products.....	25.05	31.64	2.16	2.53	2.29	2.67	2.38	4.30	1.56	1.52

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 1—Number of Returns, Selected Receipts, Cost of Sales and Operations, Net Income, Deficit, Income Subject to Tax, Total Income Tax, Selected Credits, Total Assets, Net Worth, Depreciable Assets, Depreciation Deduction, and Coefficients of Variation, by Minor Industry—Continued

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

Minor industry	Coefficient of variation (Percent)									
	Number of returns		Total receipts		Business receipts	Cost of sales and operations	Net income	Deficit	Income subject to tax	Total income tax
	Total	With net income	All returns	Returns with net income						
(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	
Manufacturing—Continued										
Petroleum (including integrated) and coal products.....	30.82	27.87	0.19	0.21	0.20	0.22	0.19	3.25	0.11	0.11
Petroleum refining (including integrated).....	52.84	43.33	0.15	0.17	0.16	0.19	0.08	2.83	0.03	0.03
Petroleum and coal products, not elsewhere classified.....	37.89	35.70	12.48	15.06	12.55	12.78	15.31	18.06	18.95	18.66
Rubber and miscellaneous plastics products..	11.12	12.49	2.04	2.59	2.09	2.20	2.49	5.07	2.34	2.27
Rubber products; plastics footwear, hose and belting.....	29.16	33.79	2.06	2.87	2.15	2.15	2.66	4.38	1.70	1.67
Miscellaneous plastics products.....	12.04	13.23	3.18	3.68	3.22	3.39	3.81	9.50	4.93	4.76
Leather and leather products.....	28.38	33.16	3.92	3.96	4.05	4.05	6.63	20.04	4.87	3.62
Footwear, except rubber.....	54.21	58.30	2.54	2.30	2.63	2.64	6.84	22.61	3.43	2.77
Leather and leather products, not elsewhere classified.....	33.18	40.31	14.28	15.17	14.47	14.29	15.15	43.26	14.34	12.10
Stone, clay, and glass products.....	13.13	15.02	2.21	3.50	2.31	2.51	3.73	4.62	3.23	3.07
Glass products.....	41.82	39.32	2.45	4.00	2.72	3.47	2.89	4.18	1.68	1.67
Cement, hydraulic.....	55.50	77.58	3.81	8.96	3.95	3.87	15.05	1.77	3.72	1.99
Concrete, gypsum, and plaster products.....	18.19	20.39	5.14	7.88	5.22	5.12	10.70	9.97	12.33	11.53
Other nonmetallic mineral products.....	21.50	27.66	5.51	7.97	5.52	5.91	10.28	16.47	12.55	11.47
Primary metal industries.....	13.91	19.44	1.46	2.49	1.49	1.72	2.25	1.61	1.71	1.52
Ferrous metal industries, miscellaneous primary mineral products.....	17.37	24.47	1.65	3.31	1.66	1.86	3.09	2.03	2.30	2.16
Nonferrous metal industries.....	23.16	30.28	2.42	3.74	2.49	2.89	3.30	2.51	2.56	2.14
Fabricated metal products.....	5.58	6.41	1.59	1.87	1.62	1.69	1.88	4.41	1.61	1.56
Metal cans and shipping containers.....	51.91	43.98	3.28	4.57	3.32	3.62	4.47	7.00	3.34	3.21
Cutlery, hand tools, and hardware; screw machine products, bolts, and similar products.....	17.98	20.63	4.11	4.25	4.29	4.71	3.32	23.00	2.40	2.29
Plumbing and heating, except electric and warm air.....	32.52	25.75	4.56	4.52	4.60	5.00	3.48	20.29	2.66	2.49
Fabricated structural metal products.....	12.22	13.91	3.62	4.47	3.69	3.68	5.05	8.37	4.71	4.63
Metal forgings and stampings.....	18.48	21.05	5.08	6.43	5.11	5.26	7.08	12.92	9.33	9.03
Coating, engraving, and allied services.....	24.58	20.23	12.12	13.71	12.18	13.11	14.90	19.53	16.73	16.96
Ordnance and accessories, except vehicles and guided missiles.....	62.62	70.16	15.97	23.97	16.44	16.93	15.75	10.13	12.23	12.25
Miscellaneous fabricated metal products.....	7.66	8.87	2.61	3.07	2.65	2.76	3.22	6.93	2.94	2.84
Machinery, except electrical.....	7.89	9.67	0.79	1.05	0.89	0.91	1.00	2.34	0.76	0.70
Farm machinery.....	28.17	33.20	4.30	4.67	4.59	4.97	10.17	16.47	11.06	10.52
Construction and related machinery.....	24.11	29.07	2.15	4.46	2.22	2.10	6.98	7.78	5.94	5.73
Metalworking machinery.....	15.22	18.74	4.31	6.83	4.46	4.80	8.61	7.51	8.85	8.47
Special industry machinery.....	18.90	22.99	4.11	6.07	4.21	4.13	6.84	6.73	7.06	6.92
General industrial machinery.....	21.37	23.17	2.73	3.15	2.78	2.86	3.13	8.44	2.94	2.81
Office, computing, and accounting machines.....	33.09	51.26	0.64	0.79	0.80	0.91	0.53	2.90	0.35	0.34
Other machinery, except electrical.....	18.00	23.02	2.41	3.41	2.47	2.41	4.32	9.50	3.95	3.61
Electrical and electronic equipment.....	9.08	12.11	0.74	0.71	0.81	0.94	0.78	2.56	0.62	0.59
Household appliances.....	45.38	34.47	1.64	1.55	1.66	1.59	3.15	13.38	3.10	3.08
Radio, television, and communication equipment.....	30.80	42.89	1.58	1.97	1.64	1.67	2.52	7.51	1.72	1.66
Electronic components and accessories.....	12.44	16.35	1.12	1.26	1.16	1.19	1.21	3.45	1.01	0.98
Other electrical equipment.....	15.09	20.05	1.31	1.04	1.59	2.03	1.15	4.59	0.91	0.84
Motor vehicles and equipment.....	23.84	19.20	0.36	0.80	0.39	0.41	1.52	1.25	0.89	0.75
Transportation equipment, except motor vehicles.....	20.79	30.00	0.60	0.71	0.63	0.64	0.87	5.01	0.80	0.74
Aircraft, guided missiles and parts.....	21.95	31.12	0.34	0.44	0.36	0.34	0.67	4.13	0.66	0.58
Ship and boat building and repairing.....	33.16	42.82	8.18	11.78	8.23	8.30	10.16	13.72	20.39	19.41
Other transportation equipment, except motor vehicles.....	31.23	36.46	5.13	5.08	5.25	5.60	6.07	18.78	3.80	3.55
Instruments and related products.....	14.55	19.30	1.02	1.16	1.11	1.11	1.12	5.34	0.87	0.86
Scientific instruments and measuring devices; watches and clocks.....	23.30	29.68	1.99	2.04	2.09	2.02	2.45	11.63	2.03	2.03
Optical, medical, and ophthalmic goods.....	19.69	27.54	2.06	2.13	2.13	2.15	1.84	6.40	1.48	1.46
Photographic equipment and supplies.....	46.45	65.19	0.81	1.20	0.96	1.08	0.81	9.62	0.30	0.24
Miscellaneous manufacturing and manufacturing not allocable.....	9.51	***	4.53	***	4.71	6.90	***	***	1.76	1.60
Transportation and public utilities.....	3.73	6.02	0.64	0.65	0.68	1.09	0.40	1.34	0.27	0.24
Transportation.....	4.24	5.69	1.61	2.12	1.67	2.78	1.85	1.76	1.61	1.41
Railroad transportation.....	44.72	50.93	0.38	0.59	0.39	0.36	1.52	1.18	0.98	0.88
Local and interurban passenger transit.....	14.26	19.37	11.12	15.34	11.23	23.30	15.58	18.54	20.41	20.97
Trucking and warehousing.....	6.25	7.75	2.68	2.93	2.72	5.11	2.90	8.46	2.58	2.36
Water transportation.....	15.91	26.73	4.50	4.46	4.78	4.66	5.84	12.89	4.78	4.39
Transportation by air.....	16.28	26.50	1.08	3.71	1.11	1.87	6.51	1.34	4.87	3.02
Pipe lines, except natural gas.....	49.59	29.57	5.91	5.92	6.00	5.89	6.16	92.61	6.22	6.25
Transportation services, not elsewhere classified.....	7.99	11.09	7.07	7.53	7.34	8.52	7.52	10.74	8.91	7.22

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 1—Number of Returns, Selected Receipts, Cost of Sales and Operations, Net Income, Deficit, Income Subject to Tax, Total Income Tax, Selected Credits, Total Assets, Net Worth, Depreciable Assets, Depreciation Deduction, and Coefficients of Variation, by Minor Industry—Continued

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

Minor industry	Coefficient of variation (Percent)									
	Number of returns		Total receipts		Business receipts	Cost of sales and operations	Net income	Deficit	Income subject to tax	Total income tax
	Total	With net income	All returns	Returns with net income						
	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
Transportation and public utilities										
—Continued										
Communication.....	10.45	14.60	0.41	0.36	0.43	0.89	0.45	3.15	0.29	0.30
Telephone, telegraph, and other communication services.....	13.78	18.09	0.42	0.35	0.44	1.03	0.42	5.01	0.28	0.30
Radio and television broadcasting.....	15.67	24.53	1.28	1.38	1.40	1.55	1.88	4.02	1.66	1.53
Electric, gas, and sanitary services.....	12.24	15.18	0.60	0.65	0.62	0.35	1.98	0.18	0.15	0.15
Electric services.....	25.82	39.93	0.11	0.08	0.12	0.18	0.05	2.82	0.05	0.05
Gas production and distribution.....	25.48	31.13	0.73	0.67	0.76	0.98	0.56	1.72	0.36	0.29
Combination utility services.....	38.64	53.49	0.16	0.18	0.16	0.32	0.19	1.61	0.03	0.03
Water supply and other sanitary services.....	13.87	17.60	6.50	8.31	6.91	5.90	4.62	7.38	2.97	2.67
Wholesale and retail trade.....	1.26	1.74	0.62	0.63	0.53	0.68	0.83	1.26	0.64	0.49
Wholesale trade.....	2.39	2.95	0.78	0.91	0.90	0.83	1.06	2.06	0.99	0.93
Groceries and related products.....	8.73	10.58	2.55	2.88	2.58	2.71	3.41	8.44	2.58	2.42
Machinery, equipment, and supplies.....	6.02	7.10	2.65	2.86	2.69	2.83	3.65	6.04	3.96	3.85
Miscellaneous wholesale trade.....	2.79	3.45	0.87	1.02	0.89	0.92	1.16	2.27	1.09	1.02
Motor vehicles and automotive equipment.....	9.45	11.34	1.92	2.63	1.98	1.98	2.61	3.72	1.82	1.37
Furniture and home furnishings.....	17.12	20.98	8.48	10.10	8.50	8.85	8.50	18.62	9.12	8.32
Lumber and construction materials.....	11.28	12.48	5.21	5.97	5.24	5.46	7.20	12.94	10.31	10.29
Sporting, recreational, photographic, and hobby goods, toys and supplies.....	14.73	20.37	5.12	5.53	5.15	4.96	7.93	12.90	8.84	9.84
Metals and minerals, except petroleum and scrap.....	16.89	20.01	2.70	3.56	2.72	2.72	7.78	5.38	7.57	7.28
Electrical goods.....	8.97	11.55	2.64	3.49	2.68	2.77	3.59	6.07	3.69	3.56
Hardware, plumbing, and heating equipment and supplies.....	10.82	11.93	4.55	5.15	4.57	4.65	6.58	11.83	7.75	7.97
Other durable goods.....	6.83	8.39	2.30	2.52	2.32	2.31	3.68	6.57	3.90	3.86
Paper and paper products.....	15.16	18.17	6.32	7.25	6.34	6.54	9.76	13.38	12.53	12.74
Drugs, drug proprietaries, and druggists' sundries.....	19.60	23.97	2.21	2.36	2.22	2.15	4.30	15.68	3.48	3.37
Apparel, piece goods, and notions.....	10.78	13.89	3.80	4.20	3.86	3.89	3.63	8.72	3.09	2.93
Farm-product raw materials.....	15.08	17.20	4.51	4.06	4.57	4.71	3.61	19.62	3.04	2.77
Chemicals and allied products.....	16.96	18.85	6.01	7.25	6.02	6.31	8.75	16.18	9.49	9.47
Petroleum and petroleum products.....	11.22	13.13	2.95	3.61	3.07	3.05	2.95	7.07	2.38	2.26
Alcoholic beverages.....	18.42	17.28	5.03	5.40	5.06	5.22	5.69	22.83	5.43	5.13
Miscellaneous nondurable goods; wholesale trade not allocable.....	7.42	9.46	3.23	3.68	3.26	3.47	3.94	8.02	3.72	3.53
Retail trade.....	1.63	2.25	0.76	0.92	0.77	0.89	0.81	1.63	0.62	0.53
Building materials, garden supplies, and mobile home dealers.....	6.46	8.20	2.86	3.20	2.89	2.98	3.80	8.22	2.99	2.77
Building material dealers.....	9.12	10.88	3.31	3.49	3.33	3.42	4.21	11.38	3.19	2.93
Hardware stores.....	12.28	17.58	7.49	9.96	7.52	7.57	12.77	14.11	15.59	17.24
Garden supplies and mobile home dealers.....	13.73	17.62	8.75	11.14	8.94	9.65	11.55	20.88	8.24	7.66
General merchandise stores.....	13.04	16.37	0.52	0.68	0.55	0.59	0.58	1.61	0.36	0.31
Food stores.....	5.86	8.06	1.52	1.58	1.53	1.61	1.80	4.93	1.17	1.02
Grocery stores.....	7.41	9.56	1.48	1.55	1.49	1.56	1.68	5.17	1.07	0.94
Other food stores.....	9.22	14.28	9.02	10.77	9.08	10.49	11.75	12.98	13.89	13.98
Automotive dealers and service stations.....	4.01	4.91	2.31	2.83	2.32	2.45	3.04	5.30	3.92	3.85
Motor vehicle dealers.....	5.40	6.22	2.72	3.36	2.74	2.85	3.85	6.46	5.27	5.26
Gasoline service stations.....	8.93	11.63	6.77	8.54	6.79	6.96	9.51	13.29	14.96	14.31
Other automotive dealers.....	7.46	8.80	4.60	5.15	4.62	4.92	5.83	12.65	6.21	6.09
Apparel and accessory stores.....	7.59	9.77	1.78	1.84	1.82	1.91	2.21	7.96	2.05	1.66
Furniture and home furnishings stores.....	7.64	9.66	4.09	4.81	4.14	4.43	5.07	9.20	4.52	4.13
Eating and drinking places.....	3.80	5.42	2.93	4.06	3.00	2.79	2.94	4.81	2.08	1.77
Miscellaneous retail stores.....	3.11	4.11	1.68	2.02	1.70	1.85	2.29	3.25	2.20	2.02
Drug stores and proprietary stores.....	8.68	9.94	3.35	4.36	3.38	3.46	4.63	4.72	4.19	3.45
Liquor stores.....	11.85	14.95	10.96	13.58	11.03	11.49	14.60	20.41	19.84	22.94
Other retail stores.....	3.50	4.74	1.96	2.29	1.99	2.18	2.65	3.98	2.57	2.39
Wholesale and retail trade not allocable.....	0.88	1.48	0.39	0.42	0.57	0.70	0.26	0.83	0.23	0.24
Finance, insurance, and real estate.....	1.73	2.63	0.28	0.31	0.42	0.44	0.19	0.89	0.19	0.22
Banking.....	4.37	1.25	0.65	0.71	0.66	(4)	0.21	1.28	0.23	0.43
Mutual savings banks.....	1.91	2.12	0.51	0.55	0.23	(5)	0.41	(5)	0.33	0.32
Bank holding companies.....	7.61	1.31	0.04	0.04	0.03	(4)	0.07	0.52	0.07	0.07
Banks, except mutual savings banks and bank holding companies.....	3.00	2.56	4.11	5.54	10.55	0.29	1.21	2.16	1.55	2.82
Credit agencies other than banks.....	8.82	10.58	0.75	0.87	2.50	9.16	0.43	0.78	0.29	0.27
Savings and loan associations.....	2.17	1.97	0.11	0.12	0.11	0.26	0.23	0.51	0.16	0.15
Personal credit institutions.....	19.05	20.02	1.16	1.17	2.21	0.75	2.24	12.58	1.69	1.40
Business credit institutions.....	27.70	40.10	1.93	2.17	8.40	25.43	4.51	13.78	2.10	1.53
Other credit agencies; finance not allocable.....	11.82	15.11	1.68	1.93	3.51	11.00	1.06	5.01	0.63	0.60
Security, commodity brokers and services.....	11.95	15.26	1.84	1.91	2.91	13.25	1.30	6.77	0.74	0.69
Security brokers, dealers, and flotation companies.....	17.58	21.99	1.39	1.31	2.37	5.07	1.16	9.43	0.75	0.71

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 1—Number of Returns, Selected Receipts, Cost of Sales and Operations, Net Income, Deficit, Income Subject to Tax, Total Income Tax, Selected Credits, Total Assets, Net Worth, Depreciable Assets, Depreciation Deduction, and Coefficients of Variation, by Minor Industry—Continued

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

Minor industry	Coefficient of variation (Percent)									
	Number of returns		Total receipts		Business receipts	Cost of sales and operations	Net income	Deficit	Income subject to tax	Total income tax
	Total	With net income	All returns	Returns with net income						
(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	
Finance, insurance, and real estate										
--Continued										
Commodity contracts brokers and dealers; security and commodity exchanges; and allied services.....	16.33	21.05	6.47	8.21	7.12	17.87	4.82	9.71	2.55	2.33
Insurance.....	12.04	13.41	0.13	0.15	0.17	0.18	0.21	1.90	0.20	0.19
Life insurance.....	0.47	1.50	0.07	0.06	0.09	0.08	0.13	1.47	0.08	0.08
Mutual property and casualty insurance companies.....	2.64	3.33	0.26	0.39	0.28	0.23	0.91	1.38	0.99	0.93
Stock property and casualty insurance companies and other insurance companies.....	19.22	21.85	0.48	0.61	0.55	0.59	0.65	5.11	0.68	0.58
Insurance agents, brokers, and service.....	6.28	7.80	4.41	4.86	4.58	15.57	3.95	10.47	3.29	3.07
Real estate.....	2.13	3.47	2.44	3.42	2.94	3.79	2.73	1.90	3.44	3.49
Real estate operators and lessors of buildings.....	3.24	5.68	3.69	5.11	4.43	9.23	4.20	3.60	4.70	4.75
Lessors of mining, oil, and similar property... Lessors of railroad property, and of real property, not elsewhere classified.....	42.79	50.02	15.47	16.07	48.80	96.52	16.09	57.06	15.99	15.90
Condominium management and cooperative housing associations.....	7.48	10.14	6.29	9.81	7.19	24.80	13.55	6.08	10.95	10.94
Subdividers and developers.....	5.66	8.85	3.41	4.80	3.90	4.38	5.03	3.14	7.90	7.78
Other real estate.....	3.99	6.10	5.35	7.21	6.21	9.83	5.46	3.60	7.73	7.57
Holding and other investment companies, except bank holding companies.....	5.78	7.69	0.97	1.05	8.83	17.33	0.18	4.22	2.01	1.83
Regulated investment companies.....	0.16	0.43	0.09	0.09	-	-	0.11	1.78	3.96	2.25
Real estate investment trusts.....	0.51	3.06	0.65	0.85	-	-	1.25	2.54	34.35	17.21
Small business investment companies.....	17.45	31.01	37.90	35.43	52.54	99.62	10.29	15.03	7.81	7.39
Other holding and investment companies, except bank holding companies.....	6.98	10.08	3.95	4.85	8.89	17.60	2.40	5.39	2.06	1.94
Services.....	1.30	1.83	1.11	1.28	1.17	1.88	1.14	1.71	1.12	1.03
Hotels and other lodging places.....	8.15	11.48	6.36	9.69	6.72	1.78	3.91	3.72	3.90	3.64
Personal services.....	5.97	7.72	5.04	5.75	5.18	7.64	4.51	10.91	4.11	3.62
Business services.....	2.77	3.77	1.96	2.33	2.07	3.13	1.92	3.16	2.02	1.88
Advertising.....	9.40	12.95	6.71	9.70	6.98	9.97	5.54	9.84	7.94	7.12
Business services, except advertising.....	2.93	3.96	2.03	2.31	2.15	3.16	2.05	3.34	2.08	1.95
Auto repair; miscellaneous repair services.....	4.62	5.98	3.13	3.59	3.30	4.05	4.39	7.06	4.75	3.86
Auto repair and services.....	5.80	7.79	3.39	3.79	3.64	4.51	5.14	8.01	5.00	3.86
Miscellaneous repair services.....	7.83	9.45	7.08	8.15	7.13	8.17	8.31	14.85	9.98	9.52
Amusement and recreation services.....	5.22	7.41	2.42	3.18	2.60	3.82	2.96	3.63	2.58	2.41
Motion picture production, distribution, and services.....	13.01	18.36	4.46	7.44	4.76	5.14	5.68	5.06	4.78	4.26
Motion picture theaters.....	33.29	49.47	6.55	8.95	6.94	9.42	17.83	19.40	12.66	10.91
Amusement and recreation services, except motion pictures.....	5.82	8.19	3.03	3.63	3.26	5.49	3.46	5.11	3.10	2.94
Other services.....	2.44	3.31	2.05	2.02	2.12	4.52	2.16	3.37	1.94	1.80
Offices of physicians, including osteopathic physicians.....	8.11	10.51	11.58	9.61	11.75	67.37	10.95	12.70	21.57	20.21
Offices of dentists.....	11.81	13.78	13.54	15.38	13.62	27.73	15.72	28.63	50.18	48.30
Offices of other health practitioners.....	11.50	13.43	13.75	15.88	13.85	25.71	14.35	24.85	27.37	26.39
Nursing and personal care facilities.....	11.00	14.46	4.58	4.93	4.68	8.96	7.22	11.21	8.05	7.12
Hospitals.....	16.76	16.74	1.41	1.29	1.50	2.60	2.10	8.30	0.99	0.97
Medical laboratories.....	23.10	31.47	10.12	12.86	10.38	13.21	9.26	14.52	8.10	7.89
Other medical services.....	9.14	11.41	4.86	4.93	4.94	7.01	4.74	8.63	2.94	2.83
Legal services.....	9.92	11.99	11.54	12.77	11.98	53.93	11.84	23.22	54.07	54.38
Educational services.....	12.02	15.64	10.18	10.16	10.42	15.83	10.04	15.72	10.53	10.15
Social services.....	15.57	21.99	14.30	19.57	14.37	28.88	22.54	18.72	23.53	24.69
Membership organizations.....	15.86	21.18	12.92	14.87	14.62	16.61	18.01	28.61	19.47	20.10
Architectural and engineering services.....	7.73	10.63	4.80	5.39	4.87	5.64	6.40	9.71	6.82	6.38
Accounting, auditing, and bookkeeping services.....	10.86	13.06	17.61	20.36	18.16	56.87	14.34	29.16	34.28	34.25
Miscellaneous services (including veterinarians), not elsewhere classified.....	4.66	6.60	4.23	5.31	4.39	5.51	5.25	6.14	6.62	6.34
Nature of business not allocable.....	12.83	21.78	25.08	35.64	26.68	35.42	22.65	22.08	32.83	33.37

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 1—Number of Returns, Selected Receipts, Cost of Sales and Operations, Net Income, Deficit, Income Subject to Tax, Total Income Tax, Selected Credits, Total Assets, Net Worth, Depreciable Assets, Depreciation Deduction, and Coefficients of Variation, by Minor Industry—Continued

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

Minor industry	Coefficient of variation (Percent)									
	Foreign tax credit	U.S. possessions tax credit	Nonconventional source fuel credit	General business credit	Prior year minimum tax credit	Total income tax after credits ²	Total assets	Net worth	Depreciable assets	Depreciation deduction
	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
Total returns of active corporations.....	0.07	0.11	0.69	0.67	0.41	0.14	0.02	0.16	0.10	0.13
Agriculture, forestry, and fishing.....	3.88	4.82	(5)	14.95	19.69	3.91	1.93	4.20	2.59	2.87
Agricultural production.....	3.70	(5)	(5)	16.28	7.95	4.01	2.23	4.71	3.05	3.39
Agricultural services, (except veterinarians), forestry, fishing, hunting, and trapping.....	(5)	-	-	34.82	52.62	9.92	3.90	9.21	4.99	5.43
Mining.....	0.39	-	4.85	11.71	1.34	1.41	0.48	2.81	0.92	1.37
Metal mining.....	0.38	-	-	(5)	1.28	2.31	0.83	1.35	1.18	1.65
Copper, lead and zinc, gold and silver ores	(5)	-	-	(5)	(5)	2.52	0.73	1.37	0.74	1.20
Other metal mining ¹	(5)	-	-	-	6.35	3.14	5.20	5.73	5.19	12.92
Coal mining.....	(5)	-	(5)	5.39	1.84	1.88	1.71	3.55	2.62	5.62
Oil and gas extraction.....	0.50	-	4.89	12.79	0.46	2.19	0.56	3.44	1.11	1.66
Crude petroleum, natural gas, and natural gas liquids.....	0.43	-	3.67	3.11	0.46	2.08	0.52	3.80	0.84	1.36
Oil and gas field services.....	2.63	-	99.05	56.34	6.51	9.23	2.63	5.89	3.95	3.97
Nonmetallic minerals, except fuels.....	0.69	-	-	34.41	26.37	5.47	2.78	4.65	4.14	4.56
Dimension, crushed, and broken stone; sand and gravel.....	68.30	-	-	37.76	34.34	7.21	3.31	5.92	5.23	6.02
Other nonmetallic minerals, except fuels.....	0.66	-	-	(5)	(5)	5.39	4.76	5.63	5.53	4.98
Construction.....	1.66	2.92	56.28	10.63	11.60	2.72	1.01	1.72	1.72	1.95
General building contractors and operative builders.....	2.19	4.88	81.73	16.55	18.04	4.21	1.47	3.14	2.82	3.37
General building contractors.....	2.19	(5)	81.73	26.10	18.21	4.67	1.70	3.42	2.90	3.47
Operative builders.....	-	-	-	6.66	78.43	2.27	1.81	6.18	11.70	12.35
Heavy construction contractors.....	0.81	(5)	5.97	14.22	26.62	4.64	1.80	2.17	3.21	3.62
Special trade contractors.....	40.53	4.25	-	25.52	17.53	5.22	2.14	3.49	2.86	3.08
Plumbing, heating, and air conditioning.....	(5)	(5)	-	47.75	39.12	11.11	4.98	6.97	5.74	6.19
Electrical work.....	28.42	-	-	44.45	37.09	12.04	4.84	10.92	6.12	6.55
Other special trade contractors and contractors not allocable.....	67.02	(5)	-	33.28	21.15	6.81	2.75	4.24	3.66	3.92
Manufacturing.....	0.03	0.12	0.84	0.70	0.92	0.24	0.08	0.16	0.16	0.17
Food and kindred products.....	0.17	0.10	81.73	4.60	2.75	0.68	0.34	0.81	0.81	0.83
Meat products.....	(5)	-	-	4.47	5.78	2.93	2.15	3.08	3.19	3.57
Dairy products.....	0.88	-	81.73	51.91	28.91	5.92	2.12	2.82	5.02	4.33
Preserved fruits and vegetables.....	(5)	-	-	0.80	3.17	2.22	1.14	1.28	2.08	2.03
Grain mill products.....	(5)	(5)	-	1.52	1.29	0.75	0.67	1.04	1.24	1.23
Bakery products.....	28.00	(5)	-	18.65	8.03	5.22	4.09	5.52	6.37	6.09
Sugar and confectionery products.....	(5)	(5)	-	0.90	29.79	2.05	1.72	2.27	2.96	3.18
Malt liquors and malt.....	(5)	-	-	(5)	-	(5)	0.25	0.36	0.41	0.36
Alcoholic beverages, except malt liquors and malt.....	(5)	(5)	-	(5)	(5)	4.23	1.04	2.07	4.87	4.95
Bottled soft drinks and flavorings.....	0.34	(5)	-	26.08	19.15	2.01	0.39	1.38	1.77	1.48
Other food and kindred products.....	(5)	(5)	-	23.59	45.52	2.32	0.98	1.32	1.88	2.23
Tobacco manufactures.....	(5)	(5)	-	0.10	-	0.12	0.03	0.06	0.16	0.04
Textile mill products.....	0.40	2.53	-	6.88	3.29	1.95	1.31	2.06	1.82	2.09
Weaving mills and textile finishings.....	0.20	-	-	4.16	5.21	2.72	1.98	2.41	2.12	3.10
Knitting mills.....	(5)	-	-	7.19	36.68	8.49	7.09	11.45	8.28	9.31
Other textile mill products.....	0.54	(5)	-	16.51	2.29	2.61	1.62	2.73	2.64	2.77
Apparel and other textile products.....	0.14	0.83	-	3.44	43.60	2.11	1.63	2.15	2.83	2.91
Men's and boys' clothing.....	0.03	(5)	-	1.20	26.67	1.65	1.26	1.70	2.79	2.32
Women's and children's clothing.....	3.44	(5)	-	10.96	(5)	5.63	4.06	5.94	6.71	7.10
Other apparel and accessories.....	3.05	(5)	-	23.72	81.73	9.60	5.38	7.22	8.55	10.77
Miscellaneous fabricated textile products; textile products, not elsewhere classified.....	(5)	(5)	-	32.42	69.58	13.04	6.45	8.26	9.02	9.09
Lumber and wood products.....	1.15	-	17.85	22.75	6.07	2.90	1.17	2.59	1.67	2.60
Logging, sawmills, and planing mills.....	0.44	-	93.72	23.54	10.18	3.98	1.50	2.15	2.69	5.12
Millwork, plywood, and related products.....	(5)	-	-	49.60	66.86	4.40	1.85	5.87	2.00	2.43
Other wood products, including wood buildings and mobile homes.....	(5)	-	(5)	41.28	5.32	8.25	4.00	8.12	5.47	5.82
Furniture and fixtures.....	(5)	(5)	-	4.55	6.95	2.62	2.45	3.99	2.92	3.12
Paper and allied products.....	(4)	2.80	(5)	4.62	16.28	0.84	0.37	0.58	0.43	0.46
Pulp, paper, and board mills.....	(5)	-	(5)	30.49	30.06	0.58	0.20	0.30	0.26	0.26
Other paper products.....	(4)	(5)	-	4.60	18.38	1.36	1.03	1.79	1.28	1.34
Printing and publishing.....	0.14	3.08	70.97	7.62	4.57	1.07	0.60	0.88	1.53	1.58
Newspapers.....	(4)	(5)	70.97	4.59	1.85	1.11	0.61	1.08	1.45	1.45
Periodicals.....	(5)	-	-	3.80	13.89	4.97	0.94	1.20	4.94	5.41
Books, greeting cards, and miscellaneous publishing.....	1.53	(5)	-	43.05	38.26	2.15	1.25	2.72	2.59	2.29
Commercial and other printing, and printing trade services.....	1.29	(5)	-	9.46	13.36	2.58	2.39	3.57	3.19	3.23
Chemical and allied products.....	0.05	0.18	6.70	0.45	3.29	0.37	0.15	0.22	0.24	0.28
Industrial chemicals, plastics materials and synthetics.....	0.15	(5)	(5)	2.10	4.22	1.03	0.21	0.30	0.31	0.38
Drugs.....	0.02	(5)	70.97	0.33	4.41	0.25	0.19	0.28	0.34	0.33
Soaps, cleaners, and toilet goods.....	0.04	(5)	-	1.63	7.59	0.92	0.38	0.69	0.68	0.82
Paints and allied products.....	2.10	(5)	-	15.07	81.73	4.58	4.53	4.64	5.47	5.52
Agriculture and other chemical products.....	0.44	(5)	81.73	1.54	20.80	2.14	0.86	1.52	1.28	1.31

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 1—Number of Returns, Selected Receipts, Cost of Sales and Operations, Net Income, Deficit, Income Subject to Tax, Total Income Tax, Selected Credits, Total Assets, Net Worth, Depreciable Assets, Depreciation Deduction, and Coefficients of Variation, by Minor Industry—Continued

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

Minor industry	Coefficient of variation (Percent)									
	Foreign tax credit	U.S. possessions tax credit	Nonconventional source fuel credit	General business credit	Prior year minimum tax credit	Total income tax after credits ²	Total assets	Net worth	Depreciable assets	Depreciation deduction
	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
Manufacturing—Continued										
Petroleum (including integrated) and coal products.....	(4)	0.60	(4)	0.59	0.94	0.32	0.06	0.09	0.08	0.18
Petroleum refining (including integrated).....	(5)	(5)	(4)	0.52	0.32	0.08	0.03	0.06	0.03	0.11
Petroleum and coal products, not elsewhere classified.....	62.87	-	-	10.75	30.59	20.67	9.97	16.38	12.07	14.13
Rubber and miscellaneous plastics products.....	0.27	1.92	(5)	13.66	2.21	3.19	1.81	2.11	1.68	1.92
Rubber products; plastics footwear, hose and belting.....	0.29	(5)	(5)	19.54	1.58	2.62	1.16	2.11	1.33	1.57
Miscellaneous plastics products.....	0.69	(5)	-	18.05	9.92	5.82	2.31	3.42	2.98	3.11
Leather and leather products.....	2.38	2.27	-	3.08	(5)	4.20	1.69	7.48	1.84	2.64
Footwear, except rubber.....	(5)	(5)	-	(5)	(5)	3.24	1.19	8.01	1.24	1.46
Leather and leather products, not elsewhere classified.....	57.05	(5)	-	24.66	(5)	14.26	10.76	14.34	11.71	15.04
Stone, clay, and glass products.....	0.07	3.19	(5)	13.11	12.65	3.74	0.88	1.86	1.67	2.16
Glass products.....	0.01	(5)	-	(5)	21.79	2.31	0.57	1.01	1.03	2.01
Cement, hydraulic.....	(5)	-	-	(5)	(5)	2.00	1.49	2.16	2.07	2.60
Concrete, gypsum, and plaster products.....	(5)	(5)	(5)	46.47	35.09	12.23	3.55	13.16	4.93	5.51
Other nonmetallic mineral products.....	9.03	(5)	(5)	34.30	8.12	11.87	3.01	3.86	5.13	5.34
Primary metal industries.....	(5)	-	(5)	8.46	11.81	1.82	0.52	1.11	0.74	0.81
Ferrous metal industries, miscellaneous primary mineral products.....	(5)	-	(5)	17.04	1.69	2.43	0.81	3.90	1.16	1.36
Nonferrous metal industries.....	(5)	-	-	7.95	28.02	2.73	0.67	0.99	0.92	0.91
Fabricated metal products.....	0.53	1.96	(5)	5.09	6.78	1.89	0.99	1.43	1.53	1.68
Metal cans and shipping containers.....	(5)	(5)	-	21.44	(5)	3.44	1.60	1.67	2.45	2.67
Cutlery, hand tools, and hardware; screw machine products, bolts, and similar products.....	(5)	(5)	-	6.67	7.43	3.73	1.98	2.30	4.80	5.06
Plumbing and heating, except electric and warm air.....	0.06	-	-	27.15	0.65	3.39	2.34	5.99	4.41	4.78
Fabricated structural metal products.....	1.76	-	-	10.24	15.38	5.21	2.13	3.18	2.94	3.25
Metal forgings and stampings.....	(5)	-	-	30.73	27.14	9.16	3.83	4.94	4.95	4.93
Coating, engraving, and allied services.....	81.73	(5)	-	45.50	42.84	17.54	9.83	14.82	11.40	11.41
Ordnance and accessories, except vehicles and guided missiles.....	(5)	-	-	(5)	-	12.68	9.14	14.31	12.31	13.41
Miscellaneous fabricated metal products.....	2.35	(5)	(5)	7.69	15.95	3.15	1.84	2.62	2.59	2.87
Machinery, except electrical.....	0.10	2.78	-	2.70	4.08	1.57	0.44	0.80	0.66	0.65
Farm machinery.....	5.79	-	-	27.79	(5)	10.78	2.23	5.13	3.11	4.37
Construction and related machinery.....	0.27	-	-	10.93	4.26	12.93	1.11	2.20	2.01	1.49
Metalworking machinery.....	2.52	(5)	-	15.09	30.36	9.95	2.82	5.78	4.95	5.37
Special industry machinery.....	1.70	(5)	-	32.02	25.81	8.98	2.82	4.11	4.13	4.46
General industrial machinery.....	1.24	(5)	-	4.96	3.52	4.30	1.48	1.83	2.13	2.52
Office, computing, and accounting machines.....	(5)	(5)	-	2.60	2.95	0.99	0.27	0.68	0.30	0.31
Other machinery, except electrical.....	0.41	-	-	22.72	0.98	5.10	1.53	3.40	2.87	3.11
Electrical and electronic equipment.....	0.22	0.27	(5)	1.70	1.93	0.80	0.25	0.60	0.40	0.34
Household appliances.....	5.19	-	-	5.46	0.33	3.39	0.93	1.80	1.21	1.05
Radio, television, and communication equipment.....	0.31	(5)	-	2.14	2.05	2.79	0.94	1.44	1.14	0.94
Electronic components and accessories.....	0.21	(5)	(5)	2.33	2.41	1.34	0.69	1.01	1.02	1.06
Other electrical equipment.....	0.43	(5)	-	3.45	10.27	1.08	0.25	0.94	0.38	0.28
Motor vehicles and equipment.....	0.21	(5)	-	1.26	1.02	1.03	0.11	0.39	0.20	0.18
Transportation equipment, except motor vehicles.....	0.11	4.34	(5)	4.63	2.92	0.77	0.38	0.79	0.52	0.85
Aircraft, guided missiles and parts.....	0.12	(5)	(5)	3.97	3.59	0.60	0.26	0.57	0.28	0.47
Ship and boat building and repairing.....	(5)	(5)	-	7.63	(5)	21.96	5.92	9.46	8.77	10.53
Other transportation equipment, except motor vehicles.....	(5)	-	-	18.24	5.31	3.77	3.24	6.99	4.33	5.48
Instruments and related products.....	0.14	0.34	-	3.65	1.09	1.61	0.56	0.88	0.68	0.83
Scientific instruments and measuring devices; watches and clocks.....	0.32	(5)	-	9.58	9.94	3.95	1.35	1.54	1.64	1.43
Optical, medical, and ophthalmic goods.....	0.67	(5)	-	3.82	16.72	2.27	1.22	1.66	1.76	2.06
Photographic equipment and supplies.....	0.01	-	-	(5)	(5)	0.65	0.31	0.76	0.32	0.45
Miscellaneous manufacturing and manufacturing not allocable.....	0.28	(5)	-	5.95	10.28	2.22	0.91	1.39	1.82	1.68
Transportation and public utilities.....	1.08	0.06	0.05	0.88	0.86	0.25	0.12	0.47	0.16	0.26
Transportation.....	12.41	4.88	0.04	4.62	3.82	1.44	0.51	3.69	0.69	1.03
Railroad transportation.....	(5)	-	(5)	2.68	(5)	0.93	0.26	0.42	0.33	0.50
Local and interurban passenger transit.....	-	-	-	56.48	60.68	21.35	8.33	15.18	11.02	10.92
Trucking and warehousing.....	0.11	(5)	97.61	8.23	12.54	2.40	1.80	3.03	2.41	2.77
Water transportation.....	1.21	-	-	15.55	0.34	4.94	2.31	4.16	3.17	4.06
Transportation by air.....	26.38	-	-	7.76	0.99	3.10	0.53	72.90	0.70	0.84
Pipe lines, except natural gas.....	91.73	-	-	-	67.26	5.83	6.81	20.29	6.49	6.59
Transportation services, not elsewhere classified.....	11.19	-	-	5.27	25.68	7.51	2.54	54.92	3.13	3.56

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 1—Number of Returns, Selected Receipts, Cost of Sales and Operations, Net Income, Deficit, Income Subject to Tax, Total Income Tax, Selected Credits, Total Assets, Net Worth, Depreciable Assets, Depreciation Deduction, and Coefficients of Variation, by Minor Industry—Continued

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

Minor industry	Coefficient of variation (Percent)									
	Foreign tax credit	U.S. possessions tax credit	Nonconventional source fuel credit	General business credit	Prior year minimum tax credit	Total income tax after credits ²	Total assets	Net worth	Depreciable assets	Depreciation deduction
	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
Transportation and public utilities										
—Continued										
Communication.....	(4)	0.06	(5)	1.13	0.73	0.33	0.17	0.44	0.22	0.24
Telephone, telegraph, and other communication services.....	(4)	(5)	(5)	0.88	0.61	0.32	0.15	0.25	0.19	0.22
Radio and television broadcasting.....	0.01	-	(5)	10.40	21.79	1.56	0.69	6.49	1.54	1.72
Electric, gas, and sanitary services.....	(5)	-	(5)	0.37	0.29	0.16	0.08	0.12	0.09	0.18
Electric services.....	(5)	-	(5)	(5)	(5)	0.05	0.05	0.08	0.04	0.11
Gas production and distribution.....	(5)	-	(5)	(5)	(5)	0.33	0.21	0.31	0.20	0.32
Combination utility services.....	(5)	-	(5)	(5)	(5)	0.03	0.05	0.06	0.05	0.04
Water supply and other sanitary services.....	(5)	-	0.28	20.28	26.14	2.77	1.37	1.94	2.06	2.51
Wholesale and retail trade.....	0.65	0.31	28.56	1.99	1.81	0.64	0.25	0.59	0.48	0.51
Wholesale trade.....	0.72	1.51	28.58	4.87	3.52	1.09	0.40	0.88	0.80	0.67
Groceries and related products.....	55.12	-	(5)	13.84	12.45	2.43	1.60	2.30	2.28	2.39
Machinery, equipment, and supplies.....	2.02	(5)	87.83	19.75	17.58	4.00	1.78	3.01	2.81	2.81
Miscellaneous wholesale trade.....	0.73	1.54	6.34	5.33	3.51	1.25	0.43	1.11	0.91	0.70
Motor vehicles and automotive equipment.....	0.02	-	-	22.87	3.90	2.01	0.89	1.62	0.93	0.41
Furniture and home furnishings.....	78.24	-	-	63.55	49.24	8.31	7.51	9.75	9.78	10.71
Lumber and construction materials.....	98.52	(5)	(5)	65.32	26.55	10.60	3.82	6.51	5.06	5.50
Sporting, recreational, photographic, and hobby goods, toys and supplies.....	3.55	-	-	50.64	16.08	10.14	3.70	7.62	5.24	5.40
Metals and minerals, except petroleum and scrap.....	2.27	(5)	70.97	49.08	21.44	7.54	2.08	4.50	4.45	4.47
Electrical goods.....	2.05	-	25.86	21.40	8.27	3.70	1.41	3.04	1.92	1.89
Hardware, plumbing, and heating equipment and supplies.....	6.10	-	-	36.76	13.35	8.10	3.86	5.38	4.73	5.89
Other durable goods.....	20.30	(5)	-	14.73	4.86	3.98	1.81	3.67	3.44	3.54
Paper and paper products.....	6.33	(5)	-	69.28	(5)	13.00	4.68	6.76	7.24	7.58
Drugs, drug proprietaries, and druggists' sundries.....	(5)	(5)	-	6.68	(5)	3.54	1.97	2.90	3.07	3.07
Apparel, piece goods, and notions.....	3.46	-	-	11.74	37.01	3.69	2.79	7.30	4.91	6.30
Farm-product raw materials.....	0.26	(5)	-	2.98	8.81	4.54	1.62	2.66	3.01	2.69
Chemicals and allied products.....	7.98	-	-	15.28	12.23	9.94	4.88	6.94	7.84	7.57
Petroleum and petroleum products.....	(4)	-	81.73	24.68	24.87	5.58	0.47	5.93	4.04	4.23
Alcoholic beverages.....	(5)	-	-	50.60	8.91	5.28	3.55	5.07	5.65	5.80
Miscellaneous nondurable goods; wholesale trade not allocable.....	9.83	(5)	(5)	20.89	33.55	3.72	2.31	3.77	3.91	4.22
Retail trade.....	0.14	0.23	61.77	2.18	2.05	0.66	0.36	0.77	0.60	0.77
Building materials, garden supplies, and mobile home dealers.....	1.72	-	-	5.35	13.63	2.81	2.29	3.19	2.85	2.97
Building material dealers.....	71.72	-	-	4.68	14.09	2.98	2.66	3.60	3.13	3.35
Hardware stores.....	-	-	-	64.06	(5)	17.41	6.62	10.19	7.23	7.51
Garden supplies and mobile home dealers.....	(5)	-	-	51.44	28.41	7.67	5.97	8.19	9.66	9.67
General merchandise stores.....	(5)	(5)	(5)	0.07	0.52	0.33	0.19	0.48	0.37	0.35
Food stores.....	(5)	(5)	-	4.17	8.13	1.01	0.89	2.21	1.19	1.28
Grocery stores.....	(5)	(5)	-	4.41	7.99	0.94	0.85	2.10	1.10	1.20
Other food stores.....	(5)	-	-	10.85	31.04	14.28	6.00	13.59	7.52	8.05
Automotive dealers and service stations.....	10.82	4.31	67.38	13.02	12.48	3.90	1.75	3.21	2.31	2.83
Motor vehicle dealers.....	(5)	-	67.38	16.14	14.04	5.30	2.12	4.23	2.71	3.57
Gasoline service stations.....	39.05	-	-	52.93	36.11	14.57	5.29	8.41	6.25	6.50
Other automotive dealers.....	-	(5)	-	21.08	20.16	6.21	3.77	6.19	4.71	6.57
Apparel and accessory stores.....	(5)	(5)	-	6.01	4.92	1.76	1.24	3.07	1.26	1.31
Furniture and home furnishings stores.....	(5)	-	-	8.65	18.91	4.19	2.88	4.43	3.58	6.47
Eating and drinking places.....	0.10	(5)	(5)	8.01	12.97	2.12	1.29	3.31	1.97	2.82
Miscellaneous retail stores.....	2.54	-	41.62	7.61	5.12	2.08	1.21	2.14	1.89	2.05
Drug stores and proprietary stores.....	6.21	-	-	12.31	59.76	3.46	2.44	4.56	2.74	2.38
Liquor stores.....	-	-	70.97	82.11	70.97	23.13	9.03	13.31	11.48	12.39
Other retail stores.....	2.56	-	(5)	9.46	4.00	2.48	1.39	2.45	2.25	2.43
Wholesale and retail trade not allocable.....	(5)	0.87	2.11	1.59	0.28	0.27	0.04	0.22	0.48	0.41
Finance, insurance, and real estate.....	0.21	0.38	2.08	0.89	0.18	0.25	0.03	0.22	0.58	0.28
Banking.....	(4)	(5)	(5)	0.22	0.09	0.52	0.05	0.16	0.07	0.11
Mutual savings banks.....	(5)	-	-	(5)	(5)	0.32	0.18	0.20	0.26	0.75
Bank holding companies.....	(4)	-	(5)	0.16	0.08	0.09	0.04	0.12	0.05	0.04
Banks, except mutual savings banks and bank holding companies.....	(5)	(5)	-	2.47	1.08	2.88	0.38	1.75	0.65	1.12
Credit agencies other than banks.....	0.40	0.50	(5)	0.18	0.35	0.28	0.07	1.29	0.57	0.86
Savings and loan associations.....	6.74	(5)	-	0.44	1.89	0.15	0.10	3.10	0.14	0.11
Personal credit institutions.....	(4)	(5)	-	(5)	(5)	1.60	0.42	0.79	2.08	2.66
Business credit institutions.....	(5)	(5)	-	6.77	(5)	1.69	0.31	3.79	2.53	2.51
Other credit agencies; finance not allocable.....	0.48	(5)	(5)	0.14	2.11	0.64	0.13	1.78	1.51	1.63
Security, commodity brokers and services.....	0.04	-	1.95	2.78	0.31	0.86	0.11	1.13	1.91	2.18
Security brokers, dealers, and flotation companies.....	(4)	-	(5)	2.46	0.31	0.92	0.09	0.93	1.46	1.50

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 1--Number of Returns, Selected Receipts, Cost of Sales and Operations, Net Income, Deficit, Income Subject to Tax, Total Income Tax, Selected Credits, Total Assets, Net Worth, Depreciable Assets, Depreciation Deduction, and Coefficients of Variation, by Minor Industry--Continued

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

Minor industry	Coefficient of variation (Percent)									
	Foreign tax credit	U.S. possessions tax credit	Nonconventional source fuel credit	General business credit	Prior year minimum tax credit	Total income tax after credits ²	Total assets	Net worth	Depreciable assets	Depreciation deduction
	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
Finance, insurance, and real estate										
-Continued										
Commodity contracts brokers and dealers; security and commodity exchanges; and allied services.....	3.20	-	2.37	26.69	(5)	2.36	1.14	4.91	4.80	6.62
Insurance.....	(5)	(5)	(5)	0.51	0.32	0.21	0.03	0.09	0.24	0.11
Life insurance.....	(5)	-	(5)	0.10	0.69	0.08	0.02	0.08	0.07	0.04
Mutual property and casualty insurance companies.....	0.01	(5)	(5)	1.53	0.71	1.00	0.20	0.32	0.32	0.25
Stock property and casualty insurance companies and other insurance companies.....	(4)	-	0.10	3.97	0.33	0.67	0.13	0.22	0.59	0.41
Insurance agents, brokers, and service.....	(5)	-	16.49	36.87	34.93	3.89	2.15	3.40	4.48	4.82
Real estate.....	3.07	4.44	14.95	9.78	6.56	3.58	0.80	3.20	1.22	1.51
Real estate operators and lessors of buildings.....	5.16	(5)	71.32	18.01	26.69	4.78	1.34	3.64	1.69	2.13
Lessors of mining, oil, and similar property.....	56.55	-	49.65	69.89	63.59	15.95	10.02	28.33	7.76	26.24
Lessors of railroad property, and of real property, not elsewhere classified.....	97.61	-	-	-	-	53.51	13.52	19.17	27.05	22.61
Condominium management and cooperative housing associations.....	-	(5)	-	-	72.07	11.27	3.29	4.08	3.68	4.17
Subdividers and developers.....	34.83	-	1.64	44.22	3.15	8.48	1.52	8.57	2.68	3.29
Other real estate.....	3.74	-	99.73	9.74	13.76	7.82	1.64	13.07	2.80	3.75
Holding and other investment companies, except bank holding companies.....	5.56	-	1.63	18.27	9.83	1.90	0.07	0.30	0.99	1.01
Regulated investment companies.....	-	-	-	-	-	2.25	0.04	0.04	9.21	8.46
Real estate investment trusts.....	-	-	-	(5)	-	17.66	0.37	0.85	0.75	1.21
Small business investment companies.....	(5)	-	-	-	97.61	7.66	8.07	18.27	25.12	33.70
Other holding and investment companies, except bank holding companies.....	5.73	-	1.63	18.33	9.55	2.03	0.53	9.79	2.07	1.24
Services.....	1.38	1.89	36.38	4.32	2.53	1.15	0.42	1.07	0.80	0.78
Hotels and other lodging places.....	8.14	(5)	-	10.66	7.83	4.13	1.50	3.52	2.43	2.50
Personal services.....	2.18	-	-	16.23	29.00	3.77	3.02	4.58	4.31	4.62
Business services.....	1.39	(5)	-	8.29	5.86	2.22	0.72	1.62	1.53	1.43
Advertising.....	0.80	-	-	48.61	62.02	11.27	2.00	4.83	4.35	4.92
Business services, except advertising.....	1.73	3.50	-	8.37	5.87	2.25	0.78	1.72	1.62	1.48
Auto repair, miscellaneous repair services.....	22.18	-	-	5.68	1.09	4.55	1.63	3.52	1.93	1.78
Auto repair and services.....	23.80	-	-	4.78	1.10	4.87	1.63	3.92	1.99	1.85
Miscellaneous repair services.....	49.69	-	-	69.27	10.64	9.59	5.30	7.53	6.41	6.58
Amusement and recreation services.....	2.16	(5)	(5)	8.61	16.50	2.88	0.87	1.98	2.30	1.95
Motion picture production, distribution, and services.....	2.00	-	-	35.04	89.73	5.25	0.85	1.30	7.39	2.99
Motion picture theaters.....	(5)	-	-	58.75	-	10.93	3.68	7.96	6.02	6.98
Amusement and recreation services, except motion pictures.....	2.93	4.88	(5)	8.93	16.30	3.51	1.48	3.96	2.51	2.60
Other services.....	15.71	2.56	40.74	7.54	6.79	1.82	0.94	2.64	1.55	1.76
Offices of physicians, including osteopathic physicians.....	-	-	-	70.75	-	20.26	6.85	18.73	9.93	9.86
Offices of dentists.....	-	-	-	-	-	48.30	12.87	29.33	13.39	15.52
Offices of other health practitioners.....	-	-	-	99.83	-	26.60	11.78	19.34	13.51	16.01
Nursing and personal care facilities.....	(5)	-	-	6.69	3.53	7.87	2.98	7.96	3.89	3.95
Hospitals.....	(5)	(5)	-	(5)	11.01	0.97	0.56	0.87	0.99	0.78
Medical laboratories.....	6.33	-	-	19.34	9.61	8.10	6.54	7.52	9.98	11.03
Other medical services.....	(5)	(5)	-	30.80	15.49	2.82	2.65	3.93	5.19	5.86
Legal services.....	-	-	-	-	-	54.38	10.04	20.64	12.29	13.38
Educational services.....	1.33	(5)	-	67.33	37.58	10.78	5.82	12.11	7.63	7.89
Social services.....	-	-	-	49.49	-	24.65	10.11	57.98	11.60	12.89
Membership organizations.....	20.46	-	-	75.60	62.66	20.42	8.20	10.45	12.44	14.10
Architectural and engineering services.....	30.59	(5)	40.74	25.96	62.24	6.49	3.12	5.38	5.28	5.49
Accounting, auditing, and bookkeeping services.....	(5)	-	-	98.98	81.73	34.57	11.51	32.73	15.08	14.23
Miscellaneous services (including veterinarians), not elsewhere classified.....	8.87	(5)	-	37.63	29.04	6.56	2.43	13.33	4.33	4.85
Nature of business not allocable.....	-	(5)	-	-	-	37.01	13.64	246.10	20.80	22.05

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

*** Data deleted to avoid disclosure of information for specific corporations. Deleted data are included in the appropriate totals.

** "Iron ores," which was shown separately in previous years, is now included in "Other metal mines."

¹ Less than \$500 per return.

² Credits include foreign tax, U.S. possessions tax, nonconventional source fuel, orphan drug, general business, and prior year minimum tax.

³ Coefficient of variation is less than .005 but greater than zero.

⁴ Estimate is based on returns sampled at a 100 percent rate and coefficient of variation is zero.

NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 2.—Balance Sheet, Income Statement, and Selected Other Items, by Size of Total Assets

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

Item	Total returns of active corporations	Size of total assets				
		Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns, total.....	3,869,023	245,100	1,986,072	628,341	384,301	260,281
Total assets.....	20,002,093,972	-	61,308,230	101,333,879	136,392,501	183,335,866
Cash.....	806,358,400	-	13,744,838	17,191,878	19,512,442	22,821,136
Notes and accounts receivable.....	4,168,985,629	-	6,560,187	15,255,182	23,167,334	33,813,174
Less: Allowance for bad debts.....	118,702,488	-	73,307	280,147	238,626	412,705
Inventories.....	915,412,953	-	7,362,360	15,565,140	21,627,932	30,553,032
Investments in Government obligations.....	1,248,403,852	-	49,151	185,285	431,230	467,727
Tax-exempt securities.....	615,621,779	-	27,872	134,514	119,021	423,063
Other current assets.....	1,283,651,498	-	2,396,130	3,860,337	6,382,013	9,089,627
Loans to stockholders.....	87,204,098	-	4,487,918	5,354,457	4,798,012	4,323,201
Mortgage and real estate loans.....	1,566,888,344	-	430,897	1,148,942	1,927,392	1,838,050
Other investments.....	4,970,564,447	-	1,665,256	4,826,966	7,066,603	11,393,405
Depreciable assets.....	4,755,145,257	-	65,666,071	73,980,427	92,355,415	110,849,328
Less: Accumulated depreciation.....	2,131,890,499	-	46,828,085	46,774,443	56,878,365	64,117,705
Depletable assets.....	130,636,678	-	492,760	266,789	409,098	777,806
Less: Accumulated depletion.....	60,154,855	-	294,036	90,772	94,520	327,975
Land.....	221,387,129	-	1,759,649	4,600,406	8,889,769	13,799,524
Intangible assets (amortizable).....	528,835,628	-	2,572,842	3,843,826	4,136,632	4,417,011
Less: Accumulated amortization.....	124,473,187	-	1,441,463	1,981,810	1,872,704	1,875,125
Other assets.....	1,138,219,310	-	2,729,189	4,246,902	4,853,824	5,503,290
Total liabilities.....	20,002,093,972	-	61,308,230	101,333,879	136,392,501	183,335,866
Accounts payable.....	1,604,993,260	-	9,108,000	14,732,737	18,345,132	25,541,501
Mortgages, notes, and bonds payable in less than one year.....	1,559,836,081	-	7,360,709	9,113,009	15,030,932	20,258,363
Other current liabilities.....	5,215,873,641	-	8,083,056	7,924,502	10,244,825	13,651,350
Loans from stockholders.....	305,658,885	-	28,973,649	20,409,220	19,627,675	20,689,818
Mortgages, notes, and bonds payable in one year or more.....	2,742,496,304	-	14,208,435	22,617,818	30,349,792	39,976,957
Other liabilities.....	2,872,881,055	-	11,445,781	4,368,711	4,033,039	6,308,664
Capital stock.....	1,881,147,182	-	16,657,522	14,836,013	13,408,316	16,646,770
Paid-in or capital surplus.....	3,655,821,974	-	16,239,572	14,242,058	17,081,409	18,892,368
Retained earnings, appropriated.....	79,869,218	-	258,330	276,403	658,950	753,327
Retained earnings, unappropriated.....	1,351,565,703	-	-47,915,082	-3,145,895	11,883,769	26,022,829
Less: Cost of treasury stock.....	1,268,049,328	-	3,111,723	4,040,696	4,271,338	5,406,081
Total receipts.....	11,742,134,729	144,994,388	363,567,430	311,445,940	332,737,946	394,206,237
Business receipts.....	10,360,428,794	89,936,619	355,749,150	305,394,140	324,672,783	384,187,005
Interest.....	790,946,417	44,617,390	775,882	668,886	941,754	1,231,036
Interest on Government obligations:						
State and local.....	38,331,700	250,809	*19,986	15,636	22,425	46,760
Rents.....	98,901,418	513,602	414,810	626,874	1,001,180	1,345,647
Royalties.....	41,426,926	76,162	154,885	50,401	42,689	104,607
Net short-term capital gain reduced by net long-term capital loss.....	14,586,137	177,726	*53,452	42,269	47,438	82,266
Net long-term capital gain reduced by net short-term capital loss.....	45,124,296	920,876	349,176	425,907	533,880	749,574
Net gain, noncapital assets.....	32,313,236	1,567,817	730,875	487,705	703,316	726,851
Dividends received from domestic corporations.....	13,109,858	85,109	7,219	49,694	79,636	92,561
Dividends received from foreign corporations.....	28,883,052	38,453	*24	*1,022	*10,447	*1,365
Other receipts.....	278,082,895	6,809,827	5,311,970	3,683,405	4,682,398	5,638,563
Total deductions.....	11,329,910,609	145,026,533	361,538,425	308,675,946	329,342,717	390,338,107
Cost of sales and operations.....	6,771,767,395	58,900,841	152,369,345	165,471,465	188,602,591	240,226,025
Compensation of officers.....	221,064,264	2,518,149	36,624,034	23,380,523	21,120,878	20,322,512
Repairs.....	93,926,324	595,244	3,196,830	2,826,264	2,886,194	3,173,951
Bad debts.....	89,579,547	4,132,854	947,792	956,287	917,483	1,727,707
Ret paid on business property.....	196,187,884	2,785,068	16,873,729	11,092,825	9,494,592	9,595,301
Taxes paid.....	273,955,753	2,779,661	11,711,421	9,451,263	9,546,610	10,754,240
Interest paid.....	597,033,444	36,800,116	2,956,630	3,118,329	3,894,659	5,099,709
Contributions or gifts.....	5,521,019	35,373	50,231	46,100	65,242	95,920
Amortization.....	36,582,360	419,335	348,636	533,108	545,449	678,907
Depreciation.....	346,214,939	2,197,057	5,748,699	6,081,473	6,770,092	7,976,755
Depletion.....	9,023,229	31,707	27,501	16,374	15,896	34,207
Advertising.....	134,332,126	1,116,187	4,318,582	2,851,195	3,169,447	3,781,832
Pension, profit-sharing, stock bonus, and annuity plans.....	56,177,312	241,352	1,443,254	1,207,842	1,200,509	1,528,454
Employee benefit programs.....	142,114,225	939,776	2,881,769	2,133,063	2,737,320	3,380,421
Net loss, noncapital assets.....	18,678,786	1,389,297	561,501	170,776	252,720	284,355
Other deductions.....	2,337,752,003	30,144,713	121,478,472	79,339,061	78,123,036	81,677,812
Total receipts less total deductions.....	412,224,119	-32,145	2,029,004	2,769,993	3,395,229	3,868,129
Constructive taxable income from related foreign corporations.....	28,104,602	*18,464	-	-	*16,314	*2
Net income (less deficit).....	401,997,022	-264,490	2,009,018	2,754,358	3,389,118	3,821,372
Income subject to tax.....	377,899,601	3,942,510	2,139,631	3,102,563	3,589,208	4,681,250
Income tax, total.....	131,284,690	1,427,799	365,543	544,512	675,042	1,052,918
Regular tax.....	125,770,915	1,296,296	363,404	541,147	668,726	1,030,251
Personal holding company tax.....	20,494	*74	*651	*292	*924	*1,875
Recapture of investment credit.....	25,103	(1)	*34	-	-	-
Alternative minimum tax.....	4,856,262	47,211	1,143	2,679	4,896	19,745
Environmental tax.....	496,610	5,275	*126	*14	*35	*23
Foreign tax credit.....	21,520,683	11,263	*791	*270	7,079	*209
U.S. possessions tax credit.....	3,748,561	9,074	316	498	356	1,297
Orphan drug credit.....	17,826	-	-	-	-	-
Nonconventional source fuel credit.....	233,331	*496	*87	*153	*675	*718
General business credit.....	1,918,100	7,152	6,106	8,499	14,289	21,484
Prior year minimum tax credit.....	2,313,811	20,091	*833	*688	2,325	4,773
Total income tax after credits.....	101,532,379	1,379,724	357,410	534,403	650,318	1,024,438

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 2.—Balance Sheet, Income Statement, and Selected Other Items, by Size of Total Assets—Continued

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

Item	Size of total assets						
	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Number of returns, total.....	270,840	38,176	24,544	11,153	7,720	6,227	6,269
Total assets.....	566,301,331	264,805,890	382,562,892	396,551,507	546,183,678	983,424,801	16,379,893,397
Cash.....	53,098,918	22,672,663	28,266,189	25,830,212	31,401,432	46,075,823	525,742,868
Notes and accounts receivable.....	120,696,999	57,389,352	88,598,262	101,300,540	141,514,131	219,991,783	3,360,698,684
Less: Allowance for bad debts.....	1,938,130	1,438,850	2,286,653	2,744,995	3,869,862	6,778,122	98,641,090
Inventories.....	116,743,186	51,535,653	59,258,542	41,557,966	39,359,999	56,013,557	475,837,585
Investments in Government obligations.....	3,268,511	3,072,613	13,407,368	29,005,615	51,684,552	86,980,217	1,059,851,583
Tax-exempt securities.....	1,644,259	1,480,052	4,260,771	10,150,877	21,752,528	45,830,437	529,798,586
Other current assets.....	28,287,156	15,782,057	21,278,011	20,756,017	26,825,003	48,248,763	1,101,146,382
Loans to stockholders.....	8,089,077	2,688,273	2,311,747	1,850,432	1,767,113	3,114,232	48,421,635
Mortgage and real estate loans.....	5,775,372	2,733,454	6,906,459	14,563,466	36,281,898	79,716,792	1,415,565,623
Other investments.....	37,802,358	23,264,736	42,491,892	55,710,688	86,589,851	211,948,481	4,487,804,213
Depreciable assets.....	295,503,387	125,622,686	161,025,494	122,645,853	128,002,206	203,065,479	3,376,428,912
Less: Accumulated depreciation.....	159,604,799	64,013,676	77,666,215	55,954,799	55,718,446	86,420,644	1,417,913,323
Depletable assets.....	2,053,290	1,344,337	3,234,051	2,559,362	4,209,999	7,198,407	108,090,778
Less: Accumulated depletion.....	980,101	571,516	1,735,539	955,028	1,803,925	2,812,639	50,488,807
Land.....	34,255,322	12,710,144	14,901,631	10,214,440	10,106,414	13,644,213	96,705,618
Intangible assets (amortizable).....	12,987,535	7,268,974	11,302,648	12,890,634	17,232,017	35,101,949	418,881,561
Less: Accumulated amortization.....	5,733,478	3,419,610	3,995,988	4,172,319	5,044,175	8,389,474	86,547,041
Other assets.....	14,352,470	6,688,549	11,006,222	11,342,744	16,092,944	30,895,546	1,030,509,631
Total liabilities.....	566,301,331	264,805,890	382,562,892	396,551,507	546,183,678	983,424,801	16,379,893,397
Accounts payable.....	85,457,386	38,338,846	58,025,235	59,835,047	86,127,109	124,551,638	1,086,930,627
Mortgages, notes, and bonds payable in less than one year.....	84,254,751	43,233,344	51,326,847	34,821,016	37,543,930	57,692,746	1,199,200,432
Other current liabilities.....	48,181,464	26,094,224	51,768,667	89,039,371	151,359,630	273,692,945	4,535,833,607
Loans from stockholders.....	44,438,840	13,125,253	12,281,594	6,828,296	6,982,696	8,885,247	123,416,597
Mortgages, notes, and bonds payable in one year or more.....	118,216,215	53,480,008	73,178,680	61,161,798	71,034,833	123,853,444	2,134,418,323
Other liabilities.....	23,356,127	11,462,431	21,399,403	22,079,064	28,243,694	55,116,325	2,685,067,837
Capital stock.....	40,335,325	18,456,336	25,713,459	25,754,040	33,218,003	72,764,396	1,603,357,003
Paid-in or capital surplus.....	64,107,500	37,270,252	59,279,255	73,393,077	107,507,770	227,311,016	3,020,497,699
Retained earnings, appropriated.....	1,315,774	454,809	1,093,343	745,699	1,732,552	3,243,914	69,336,117
Retained earnings, unappropriated.....	69,380,117	27,494,249	35,827,212	27,033,118	28,822,592	51,965,717	1,124,197,078
Less: Cost of treasury stock.....	12,742,167	4,603,863	5,330,803	4,139,019	6,389,131	15,652,586	1,202,361,922
Total receipts.....	1,209,909,710	515,844,822	590,604,860	409,095,068	389,452,190	595,787,671	6,484,488,468
Business receipts.....	1,180,997,564	501,008,782	568,363,842	384,404,714	353,871,879	530,994,225	5,380,848,112
Interest.....	3,828,545	1,864,816	5,542,973	10,699,453	19,452,363	36,857,735	664,465,584
Interest on Government obligations:							
State and local.....	202,864	197,021	389,907	673,201	1,367,905	3,048,890	32,096,297
Rents.....	3,263,152	1,614,843	2,369,623	1,865,033	1,968,379	4,308,888	79,609,387
Royalties.....	265,257	220,279	501,016	369,594	740,141	1,151,135	37,750,761
Net short-term capital gain reduced by net long-term capital loss.....	179,382	58,331	152,185	254,309	384,818	1,091,852	12,062,109
Net long-term capital gain reduced by net short-term capital loss.....	1,624,320	830,915	2,460,917	821,710	1,255,761	2,275,843	32,875,416
Net gain, noncapital assets.....	2,056,766	849,337	1,121,719	751,722	926,528	1,760,618	20,629,981
Dividends received from domestic corporations.....	372,722	159,317	287,737	248,075	314,855	531,658	10,881,274
Dividends received from foreign corporations.....	64,936	40,034	149,613	179,570	309,035	787,369	27,301,184
Other receipts.....	17,054,201	9,001,166	9,265,330	8,827,687	8,860,526	12,979,458	185,968,363
Total deductions.....	1,195,278,204	507,901,868	578,462,753	400,347,937	377,237,916	571,800,978	6,163,959,223
Cost of sales and operations.....	831,858,161	369,170,392	413,790,076	270,961,225	247,263,168	365,538,554	3,467,615,552
Compensation of officers.....	40,477,563	12,323,606	11,351,228	6,667,913	5,375,138	6,394,971	34,507,750
Repairs.....	6,913,129	2,305,183	2,555,149	1,865,758	1,770,954	3,116,794	62,720,874
Bad debts.....	3,953,653	1,881,154	2,256,705	1,996,178	2,460,959	3,668,486	64,680,487
Rent paid on business property.....	19,054,710	6,224,816	7,163,648	5,813,622	5,504,290	8,539,037	94,046,247
Taxes paid.....	26,335,249	9,806,197	11,249,142	8,088,214	7,467,985	11,802,100	154,963,871
Interest paid.....	16,086,762	7,011,854	10,508,793	11,079,269	15,777,513	27,296,167	457,403,643
Contributions or gifts.....	214,024	91,436	141,635	131,576	160,092	338,410	4,150,981
Amortization.....	1,657,293	1,026,847	1,463,149	1,558,915	1,897,177	2,943,781	23,509,762
Depreciation.....	20,802,525	8,724,380	11,638,840	9,232,015	9,577,962	14,821,175	242,643,967
Depletion.....	237,310	117,168	256,924	207,207	234,157	620,343	7,224,435
Advertising.....	9,539,229	4,165,894	5,362,997	4,283,693	4,143,352	7,608,673	83,991,045
Pension, profit-sharing, stock bonus, and annuity plans.....	3,958,137	1,644,535	1,793,684	1,391,017	1,314,341	2,280,173	38,194,014
Employee benefit programs.....	10,019,638	4,630,186	5,945,439	4,739,861	4,675,750	8,445,323	91,585,679
Net loss, noncapital assets.....	968,410	508,184	854,877	910,611	987,036	1,331,226	10,459,793
Other deductions.....	203,202,410	78,270,037	92,130,468	71,420,864	68,628,042	107,075,766	1,326,261,323
Total receipts less total deductions.....	14,631,506	7,942,954	12,142,108	8,747,131	12,214,275	23,986,693	320,529,244
Constructive taxable income from related foreign corporations.....	24,829	11,431	57,755	95,831	245,924	497,816	27,136,237
Net income (less deficit).....	14,453,470	7,757,364	11,809,955	8,169,761	11,092,294	21,435,618	315,569,184
Income subject to tax.....	12,180,123	6,048,333	9,311,660	9,431,343	12,323,125	21,027,646	290,122,210
Income tax, total.....	3,702,027	2,098,826	3,296,358	3,321,685	4,356,690	7,436,981	103,006,310
Regular tax.....	3,554,638	2,015,565	3,140,306	3,193,961	4,182,665	7,149,579	98,634,377
Personal holding company tax.....	4,246	1,815	3,406	*652	1,599	4,884	76
Recapture of investment credit.....	*251	*9	*464	*590	388	1,741	21,625
Alternative minimum tax.....	136,793	75,127	142,321	124,500	158,136	252,080	3,891,633
Environmental tax.....	330	832	5,157	6,622	11,084	22,987	444,125
Foreign tax credit.....	15,667	11,799	41,625	80,735	128,773	366,064	20,856,409
U.S. possessions tax credit.....	15,916	20,750	104,246	130,905	322,182	514,277	2,628,745
Orphan drug credit.....	-	-	-	-	-	-	17,626
Nonconventional source fuel credit.....	*170	*1,572	1,588	448	3,257	1,134	223,034
General business credit.....	72,413	35,080	49,173	52,371	76,173	123,890	1,451,470
Prior year minimum tax credit.....	68,322	30,072	52,293	43,705	57,685	116,634	1,918,389
Total income tax after credits.....	3,531,539	1,999,553	3,047,433	3,013,522	3,768,620	6,314,982	75,910,437

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

* Less than \$500 per return.

NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME

Table 3.—Balance Sheet, Income Statement, and Selected Other Items, by Size of Total Assets

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

Item	Total returns with net income	Size of total assets				
		Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000
	(1)	(2)	(3)	(4)	(5)	(6)
Number of returns, total.....	2,063,593	84,627	1,003,101	357,052	222,852	158,447
Total assets.....	16,076,163,424	-	33,320,832	57,363,382	79,406,497	112,339,585
Cash.....	656,218,778	-	8,781,246	11,406,684	13,874,647	16,626,182
Notes and accounts receivable.....	3,454,701,699	-	3,537,591	9,340,484	14,860,980	23,407,469
Less: Allowance for bad debts.....	89,432,635	-	41,636	76,000	84,875	178,809
Inventories.....	667,220,115	-	3,696,753	8,808,393	13,430,984	20,896,363
Investments in Government obligations.....	1,131,899,406	-	27,994	70,121	317,773	254,710
Tax-exempt securities.....	434,180,172	-	9,320	64,232	69,833	310,898
Other current assets.....	1,009,005,485	-	1,150,722	2,081,764	3,566,676	5,165,362
Loans to stockholders.....	55,750,524	-	2,854,775	3,325,633	2,857,749	2,682,768
Mortgage and real estate loans.....	1,366,327,995	-	253,360	812,303	1,003,540	1,070,437
Other investments.....	4,122,363,012	-	956,983	2,373,143	3,618,790	6,556,787
Depreciable assets.....	3,525,763,285	-	34,844,680	40,648,471	52,908,216	65,341,553
Less: Accumulated depreciation.....	1,606,822,220	-	25,422,523	26,631,496	34,653,429	40,998,690
Depletable assets.....	96,582,432	-	190,146	200,162	212,871	457,221
Less: Accumulated depletion.....	46,317,308	-	103,873	81,325	66,997	230,040
Land.....	135,181,958	-	735,021	1,891,339	4,125,418	6,814,684
Intangible assets (amortizable).....	359,467,090	-	1,090,565	1,917,842	1,612,345	2,054,254
Less: Accumulated amortization.....	84,351,280	-	627,234	1,043,430	806,704	942,814
Other assets.....	888,424,917	-	1,386,941	2,235,063	2,558,680	3,051,250
Total liabilities.....	16,076,163,424	-	33,320,832	57,363,382	79,406,497	112,339,585
Accounts payable.....	1,254,216,935	-	3,417,021	8,373,203	10,123,511	15,659,591
Mortgages, notes, and bonds payable in less than one year.....	1,188,218,125	-	2,900,537	4,231,032	9,087,457	12,098,961
Other current liabilities.....	4,421,679,947	-	3,117,081	4,255,232	5,682,487	8,223,538
Loans from stockholders.....	139,832,790	-	7,722,736	7,279,068	6,747,284	7,570,841
Mortgages, notes, and bonds payable in one year or more.....	1,862,618,855	-	5,907,686	9,819,395	12,726,499	18,057,103
Other liabilities.....	2,258,110,898	-	1,466,024	1,176,416	1,536,133	2,726,608
Capital stock.....	1,485,915,026	-	6,128,496	5,893,858	6,068,730	8,108,061
Paid-in or capital surplus.....	2,824,396,048	-	4,334,389	4,261,146	5,909,775	5,799,843
Retained earnings, appropriated.....	54,323,205	-	119,739	195,018	467,530	434,061
Retained earnings, unappropriated.....	1,686,683,738	-	-206,683	14,220,965	23,641,176	37,383,579
Less: Cost of treasury stock.....	1,099,832,142	-	1,586,194	2,341,950	2,584,084	3,722,602
Total receipts.....	8,891,150,043	92,299,648	221,879,005	206,592,144	225,041,502	287,183,369
Business receipts.....	7,755,632,959	52,850,696	217,304,751	202,669,413	219,464,417	280,068,472
Interest.....	673,002,960	32,083,742	257,863	443,833	642,920	904,276
Interest on Government obligations:						
State and local.....	25,157,006	139,090	*1,974	6,501	15,735	31,197
Rents.....	77,212,383	310,102	240,466	422,451	666,048	978,231
Royalties.....	34,791,191	38,428	106,785	34,450	25,726	55,672
Net short-term capital gain reduced by net long-term capital loss.....	12,490,850	100,883	*13,564	37,067	35,413	53,688
Net long-term capital gain reduced by net short-term capital loss.....	35,517,840	784,897	247,732	357,891	389,480	611,099
Net gain, noncapital assets.....	24,147,681	1,179,832	468,166	355,914	556,528	510,015
Dividends received from domestic corporations.....	10,877,979	80,067	5,069	32,881	62,671	82,942
Dividends received from foreign corporations.....	26,631,072	35,010	*14	*806	*10,387	*1,050
Other receipts.....	215,688,123	4,698,901	3,232,619	2,230,936	3,172,175	3,886,726
Total deductions.....	8,321,559,544	83,657,473	206,605,656	195,986,862	214,037,359	275,316,523
Cost of sales and operations.....	4,983,207,368	32,940,318	88,407,443	108,017,979	125,850,949	174,612,365
Compensation of officers.....	159,427,463	1,397,652	22,142,622	15,488,968	14,476,750	14,729,225
Repairs.....	70,597,322	320,934	1,859,392	1,764,544	1,941,155	2,205,876
Bad debts.....	60,670,934	2,186,836	254,051	293,922	462,976	691,278
Rent paid on business property.....	131,724,002	1,447,397	9,245,674	6,776,370	5,942,551	6,255,639
Taxes paid.....	205,955,859	1,734,791	6,480,419	5,840,682	6,178,597	7,577,929
Interest paid.....	454,499,186	25,008,574	1,344,499	1,586,496	2,090,541	2,792,204
Contributions or gifts.....	5,413,541	30,744	35,978	43,261	62,861	92,711
Amortization.....	22,037,256	164,577	119,634	204,088	205,973	244,947
Depreciation.....	255,024,232	1,108,145	3,149,791	3,627,334	4,138,003	5,029,464
Depletion.....	6,693,533	22,470	22,167	4,867	12,141	23,645
Advertising.....	102,055,102	709,804	2,501,444	1,697,241	1,944,825	2,655,178
Pension, profit-sharing, stock bonus, and annuity plans.....	37,865,421	142,711	735,577	751,610	815,907	1,190,070
Employee benefit programs.....	103,547,167	507,428	1,682,905	1,344,761	1,794,061	2,250,173
Net loss, noncapital assets.....	6,915,387	471,877	45,331	34,836	64,128	115,816
Other deductions.....	1,715,925,772	15,454,113	70,578,730	48,509,903	48,055,940	54,850,005
Total receipts less total deductions.....	568,590,499	8,642,175	15,273,349	10,605,282	11,004,143	11,866,846
Constructive taxable income from related foreign corporations.....	25,997,887	*8,111	-	-	*16,314	*2
Net income.....	570,431,380	8,511,196	15,271,374	10,598,781	11,004,722	11,835,651
Income subject to tax.....	376,868,773	3,941,730	2,139,631	3,102,475	3,588,349	4,679,020
Income tax, total.....	100,394,944	1,417,249	365,422	544,093	673,918	1,047,829
Regular tax.....	125,412,367	1,296,069	363,404	541,134	668,296	1,029,491
Personal holding company tax.....	20,343	*74	*651	*292	*924	*1,846
Recapture of investment credit.....	24,647	(1)	*34	-	-	-
Alternative minimum tax.....	4,352,328	43,998	1,126	2,679	4,662	16,306
Environmental tax.....	492,298	5,271	*126	*14	*35	*23
Foreign tax credit.....	21,489,532	11,263	*791	*270	7,079	*209
U.S. possessions tax credit.....	3,748,561	9,074	316	498	356	1,297
Orphan drug credit.....	17,826	-	-	-	-	-
Nonconventional source fuel credit.....	233,331	*496	*87	*153	*675	*718
General business credit.....	1,900,434	7,152	6,106	8,499	14,289	21,484
Prior year minimum tax credit.....	2,177,873	19,910	*833	*688	2,325	4,773
Total income tax after credits.....	100,827,387	1,389,354	357,289	533,985	649,195	1,019,349

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME

Table 3.—Balance Sheet, Income Statement, and Selected Other Items, by Size of Total Assets—Continued

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

Item	Size of total assets						
	\$1,000,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Number of returns, total.....	172,519	24,730	16,762	8,032	5,819	4,822	4,830
Total assets.....	361,821,423	172,057,761	262,785,557	286,940,925	415,670,279	763,703,550	13,530,753,634
Cash.....	38,794,173	16,568,822	20,998,151	19,729,103	24,714,328	36,872,885	447,852,560
Notes and accounts receivable.....	87,979,054	41,715,670	67,909,779	81,143,326	117,135,093	184,858,282	2,822,813,971
Less: Allowance for bad debts.....	1,120,495	783,138	1,426,563	1,835,468	2,923,015	5,305,865	75,656,771
Inventories.....	83,039,800	37,109,074	44,761,381	29,827,408	28,537,777	40,536,734	356,575,448
Investments in Government obligations.....	2,396,406	2,457,530	11,386,313	26,742,300	47,887,721	79,984,766	960,373,775
Tax-exempt securities.....	1,136,756	1,125,067	3,123,366	7,284,942	14,519,724	29,385,983	377,150,050
Other current assets.....	16,434,749	9,528,243	14,029,352	13,784,688	18,660,488	35,061,921	889,521,521
Loans to stockholders.....	4,706,111	1,501,940	1,490,883	1,206,832	1,077,458	1,714,258	32,332,118
Mortgage and real estate loans.....	3,013,562	1,214,727	5,218,976	12,273,647	30,976,573	71,167,324	1,239,323,546
Other investments.....	22,385,052	13,873,245	28,795,313	39,678,054	65,551,586	169,346,529	3,771,227,528
Depreciable assets.....	180,993,551	79,820,257	108,407,971	79,292,419	87,554,998	139,741,776	2,658,209,394
Less: Accumulated depreciation.....	105,918,432	43,836,273	55,331,179	38,992,363	40,383,006	64,492,879	1,130,163,649
Depletable assets.....	1,025,946	597,487	1,715,163	1,219,135	2,277,643	3,720,425	84,968,251
Less: Accumulated depletion.....	469,134	264,507	1,010,116	458,569	948,945	1,305,501	41,396,300
Land.....	16,510,443	5,879,216	7,148,059	5,198,928	5,810,930	8,180,625	73,089,294
Intangible assets (amortizable).....	6,128,794	4,019,134	5,890,301	6,397,620	9,135,892	19,473,346	301,747,197
Less: Accumulated amortization.....	3,165,481	2,210,609	2,157,350	1,943,639	2,512,849	4,202,498	64,738,693
Other assets.....	7,948,550	3,741,895	5,837,754	6,392,584	8,798,088	18,945,439	827,528,694
Total liabilities.....	361,821,423	172,057,761	262,785,557	286,940,925	415,670,279	763,703,550	13,530,753,634
Accounts payable.....	57,383,925	25,884,134	41,377,299	48,132,753	72,213,028	105,381,778	866,290,694
Mortgages, notes, and bonds payable in less than one year.....	50,435,527	26,594,109	32,988,755	19,383,443	22,283,801	34,722,938	973,493,563
Other current liabilities.....	31,167,882	16,842,833	38,001,321	72,280,680	125,453,108	234,844,431	3,881,811,358
Loans from stockholders.....	17,661,546	5,066,402	5,264,993	2,261,546	3,128,682	3,738,768	73,390,623
Mortgages, notes, and bonds payable in one year or more.....	55,708,764	24,389,271	38,161,496	30,219,921	38,467,196	65,382,913	1,587,780,812
Other liabilities.....	11,215,122	5,179,387	9,991,119	11,084,559	16,164,428	35,893,087	2,161,678,037
Capital stock.....	19,881,132	8,677,417	12,777,982	14,704,464	21,029,297	48,430,508	1,334,215,082
Paid-in or capital surplus.....	23,216,265	13,741,917	26,308,071	40,053,815	68,167,812	157,537,157	2,475,087,858
Retained earnings, appropriated.....	1,037,419	386,848	687,835	654,232	1,411,687	2,684,263	48,244,774
Retained earnings, unappropriated.....	103,404,328	48,274,839	63,224,228	51,159,735	54,391,800	85,605,788	1,205,584,385
Less: Cost of treasury stock.....	9,288,484	2,958,978	3,993,543	2,994,223	5,040,355	10,518,079	1,054,803,649
Total receipts.....	910,632,039	392,029,327	463,045,220	304,695,726	288,923,697	446,078,630	5,052,751,836
Business receipts.....	890,341,119	381,829,189	448,024,164	285,939,040	260,590,987	364,886,221	4,123,964,491
Interest.....	2,531,142	1,251,803	4,262,735	8,958,608	18,485,698	31,621,514	573,529,025
Interest on Government obligations:							
State and local.....	135,351	129,522	285,976	508,247	954,858	1,941,408	21,008,148
Rents.....	2,244,567	952,051	1,687,799	1,246,248	1,279,159	2,800,859	64,384,400
Royalties.....	168,514	98,123	404,300	230,480	529,347	918,159	32,181,208
Net short-term capital gain reduced by net long-term capital loss.....	128,483	53,533	130,382	224,226	356,845	1,039,224	10,317,740
Net long-term capital gain reduced by net short-term capital loss.....	1,295,624	683,353	2,153,361	516,998	1,061,308	1,621,236	25,794,861
Net gain, noncapital assets.....	1,329,697	652,228	854,524	550,004	693,886	1,148,388	15,848,499
Dividends received from domestic corporations.....	331,967	129,388	268,543	225,319	456,426	450,914	8,951,791
Dividends received from foreign corporations.....	54,375	34,897	126,974	153,178	230,191	724,037	25,260,152
Other receipts.....	12,071,199	6,215,440	6,816,462	6,142,377	6,485,092	8,924,672	151,813,524
Total deductions.....	876,097,705	376,168,233	440,381,467	287,085,265	268,285,346	411,985,103	4,685,952,551
Cost of sales and operations.....	622,135,677	278,916,630	324,463,602	200,010,234	178,245,634	266,498,536	2,585,107,999
Compensation of officers.....	30,860,373	9,507,966	9,004,211	4,965,106	4,179,313	4,873,875	27,801,403
Repairs.....	4,887,437	1,704,094	1,837,580	1,300,931	1,313,990	2,268,173	49,193,214
Bad debts.....	2,159,500	936,608	1,116,758	899,854	1,192,404	1,926,065	48,540,581
Rent paid on business property.....	13,098,601	4,271,988	4,990,665	3,808,177	5,827,117	5,620,771	66,439,052
Taxes paid.....	19,165,500	7,205,370	8,487,638	5,790,508	5,701,730	8,989,444	122,803,250
Interest paid.....	9,141,898	3,900,662	6,228,615	7,140,805	10,884,297	18,935,109	365,447,486
Contributions or gifts.....	206,245	91,319	139,678	131,949	156,682	330,664	4,091,448
Amortization.....	763,586	655,464	705,430	659,783	1,071,965	1,394,195	15,847,615
Depreciation.....	13,823,181	5,820,433	8,004,368	6,045,573	6,526,797	9,922,680	187,827,465
Depletion.....	154,460	74,395	176,690	157,734	133,098	334,667	5,577,200
Advertising.....	6,556,134	3,056,561	3,970,180	3,156,902	3,264,000	5,435,474	67,107,361
Pension, profit-sharing, stock bonus, and annuity plans.....	3,152,734	1,338,359	1,543,524	1,107,180	1,055,727	1,778,559	24,253,483
Employee benefit programs.....	7,077,786	3,288,627	4,422,305	3,341,297	3,259,307	5,954,544	68,623,974
Net loss, noncapital assets.....	210,022	94,348	142,119	127,766	175,020	333,292	5,100,829
Other deductions.....	142,704,570	55,305,408	65,148,105	48,441,465	47,498,266	77,189,054	1,042,190,213
Total receipts less total deductions.....	34,534,335	15,861,094	22,663,753	17,610,461	20,838,250	34,091,527	366,799,285
Constructive taxable income from related foreign corporations.....	24,823	11,202	49,509	90,308	174,771	513,798	25,109,051
Net income.....	34,423,806	15,742,773	22,427,286	17,191,522	19,858,163	32,663,917	370,902,188
Income subject to tax.....	12,167,862	6,063,584	9,412,231	9,493,882	12,531,486	21,607,558	288,138,967
Income tax, total.....	3,676,576	2,097,028	3,315,444	3,329,835	4,403,338	7,610,923	101,913,291
Regular tax.....	3,550,155	2,020,643	3,174,641	3,215,080	4,253,230	7,345,786	97,954,437
Personal holding company tax.....	4,246	1,815	3,361	*620	*1,592	4,872	49
Recapture of investment credit.....	*251	*9	*464	*590</			

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 4--Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division, by Size of Total Assets--Continued

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

Industrial division and item	Total returns of active corporations	Size of total assets					
		Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000
		(1)	(2)	(3)	(4)	(5)	(6)
All Industries							
Number of returns.....	3,869,023	245,100	1,986,072	628,341	384,301	260,281	270,840
Total assets.....	20,002,093,972	-	61,308,230	101,333,879	136,392,501	183,335,866	566,301,331
Notes and accounts receivable, net.....	4,050,283,141	-	6,486,880	14,975,035	22,928,708	33,400,469	118,758,889
Inventories.....	915,412,953	-	7,362,380	15,565,140	21,627,932	30,553,032	116,743,168
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	3,954,235,529	-	18,217,991	21,372,014	26,444,706	32,801,553	86,298,844
Other investments and loans.....	6,624,656,889	-	6,584,071	11,330,365	13,792,007	17,554,656	51,666,807
Depreciable assets.....	4,755,145,257	-	65,666,071	73,980,427	92,355,415	110,849,328	295,503,387
Less: Accumulated depreciation.....	2,131,890,499	-	46,828,085	46,774,443	56,878,365	64,117,705	159,604,799
Other capital assets less reserves.....	696,031,393	-	3,089,752	6,638,439	11,268,275	16,791,241	42,582,588
Total liabilities.....	20,002,093,972	-	61,308,230	101,333,879	136,392,501	183,335,866	566,301,331
Accounts and notes payable.....	3,164,829,341	-	16,468,709	23,845,746	33,376,064	45,799,864	169,712,137
Other current liabilities.....	5,215,873,641	-	8,083,056	7,924,502	10,244,825	13,651,350	48,181,464
Mortgages, notes, and bonds payable in one year or more.....	2,742,496,304	-	14,208,435	22,617,818	30,349,792	39,976,957	118,216,215
Net worth.....	5,700,354,749	-	-17,871,381	22,167,883	38,781,106	58,909,213	182,396,549
Total receipts.....	11,742,134,729	144,994,388	363,567,430	311,445,940	332,737,948	394,208,237	1,209,909,710
Business receipts.....	10,360,428,794	89,938,619	355,749,150	305,394,140	324,872,783	384,187,005	1,180,997,564
Total deductions.....	11,329,910,609	145,026,533	361,538,425	308,875,946	329,342,717	390,338,107	1,165,278,204
Cost of sales and operations.....	6,771,767,395	58,900,841	152,369,345	165,471,485	188,602,591	240,226,025	831,858,181
Taxes paid.....	273,955,753	2,779,681	11,711,421	9,451,263	9,546,610	10,754,240	26,335,249
Interest paid.....	597,033,444	36,800,116	2,956,630	3,118,329	3,894,659	5,099,709	16,086,762
Depreciation.....	346,214,939	2,197,057	5,748,699	6,081,473	6,770,092	7,976,755	20,602,525
Pension, profit-sharing, stock bonus, and annuity plans.....	56,177,312	241,352	1,443,254	1,207,842	1,200,509	1,528,454	3,958,137
Employee benefit programs.....	142,114,225	939,776	2,881,789	2,133,083	2,737,320	3,380,421	10,019,638
Net income (less deficit).....	401,697,022	-284,490	2,009,018	2,754,358	3,369,118	3,821,372	14,453,470
Income subject to tax.....	377,899,601	3,942,510	2,139,631	3,102,563	3,589,208	4,681,250	12,180,123
Income tax, total.....	131,284,690	1,427,799	365,543	544,512	675,042	1,052,918	3,702,027
Alternative minimum tax.....	4,856,262	47,211	1,143	2,679	4,896	19,745	136,793
Environmental tax.....	496,610	5,275	*126	*14	*35	*23	330
Foreign tax credit.....	21,520,683	11,283	*791	*270	7,079	*209	15,667
U.S. possessions tax credit.....	3,748,561	9,074	316	498	356	1,297	15,916
Orphan drug credit.....	17,626	-	-	-	-	-	-
Nonconventional source fuel credit.....	233,331	*496	*87	*153	*675	*718	*170
General business credit.....	1,818,100	7,152	6,106	8,499	14,289	21,484	72,413
Prior year minimum tax credit.....	2,313,811	20,091	*833	*688	2,325	4,773	66,322
Total income tax after credits.....	101,532,379	1,379,724	357,410	534,403	650,318	1,024,438	3,531,539
Agriculture, Forestry, and Fishing							
Number of returns.....	137,833	4,639	59,579	23,916	21,541	18,525	10,449
Total assets.....	71,760,770	-	1,878,904	4,046,005	7,663,546	11,707,688	19,334,461
Notes and accounts receivable, net.....	6,632,703	-	95,201	243,275	480,079	581,380	1,543,709
Inventories.....	8,114,409	-	42,388	186,850	453,375	863,414	2,010,883
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	8,012,193	-	431,730	678,908	1,006,049	1,312,790	1,818,545
Other investments and loans.....	8,495,999	-	253,759	430,319	833,835	1,190,599	1,990,724
Depreciable assets.....	54,947,670	-	3,245,794	5,443,022	7,542,520	9,135,258	13,676,469
Less: Accumulated depreciation.....	34,180,160	-	2,545,261	3,765,500	5,161,745	6,226,994	8,418,991
Other capital assets less reserves.....	17,102,433	-	248,970	714,857	2,222,208	4,108,914	6,027,018
Total liabilities.....	71,760,770	-	1,878,904	4,046,005	7,663,546	11,707,688	19,334,461
Accounts and notes payable.....	14,532,119	-	402,960	618,185	1,207,758	1,612,044	3,818,653
Other current liabilities.....	3,228,849	-	167,231	115,041	173,649	285,942	737,259
Mortgages, notes, and bonds payable in one year or more.....	16,965,055	-	464,023	1,246,710	1,773,798	2,566,210	5,164,982
Net worth.....	25,079,477	-	-187,760	843,358	2,809,991	5,501,490	6,591,683
Total receipts.....	95,563,041	912,198	7,488,142	7,191,587	11,106,893	13,164,871	21,396,525
Business receipts.....	89,556,975	842,483	6,794,374	6,870,346	10,379,652	12,257,878	19,905,573
Total deductions.....	94,017,630	887,881	7,365,524	7,051,863	10,981,788	12,891,545	21,090,513
Cost of sales and operations.....	53,057,740	500,974	2,529,761	3,068,870	4,689,539	6,920,341	11,403,019
Taxes paid.....	2,250,457	26,086	293,665	178,727	347,110	351,599	488,401
Interest paid.....	2,453,897	27,936	121,743	207,758	265,501	359,450	699,251
Depreciation.....	3,852,322	56,890	257,404	388,658	535,868	615,478	927,802
Pension, profit-sharing, stock bonus, and annuity plans.....	182,045	-	*6,884	*3,468	29,535	22,017	40,791
Employee benefit programs.....	817,919	*1,312	75,016	40,355	95,131	92,439	143,596
Net income (less deficit).....	1,607,297	24,317	122,619	139,694	121,211	270,238	294,629
Income subject to tax.....	2,012,510	*29,935	87,400	111,058	166,571	267,756	382,481
Income tax, total.....	563,325	5,955	13,110	19,181	27,203	50,469	105,903
Alternative minimum tax.....	19,344	*27	-	*363	*375	*1,561	5,391
Environmental tax.....	1,015	-	-	-	-	-	*14
Foreign tax credit.....	42,801	-	-	-	*29	-	(*)
U.S. possessions tax credit.....	3,944	-	-	-	1	-	48
Orphan drug credit.....	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	39	-	-	-	-	-	-
General business credit.....	13,243	-	*1,200	*566	1,120	1,173	4,118
Prior year minimum tax credit.....	6,352	-	-	*41	-	-	*1,737
Total income tax after credits.....	496,946	5,955	11,909	18,574	26,053	49,296	99,999

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 4--Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division, by Size of Total Assets--Continued

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

Industrial division and item	Size of total assets--Continued					
	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
	(8)	(9)	(10)	(11)	(12)	(13)
All Industries						
Number of returns.....	38,178	24,544	11,153	7,720	6,227	6,269
Total assets.....	264,805,890	382,562,892	396,551,507	546,183,678	983,424,801	16,379,893,397
Notes and accounts receivable, net.....	55,950,502	86,311,609	98,555,545	137,644,269	213,213,861	3,262,057,594
Inventories.....	51,535,653	59,256,542	41,557,966	39,359,999	56,013,557	475,837,585
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	43,007,385	87,212,339	85,742,521	131,463,515	227,135,240	3,216,539,419
Other investments and loans.....	28,684,463	51,710,098	72,124,584	124,638,862	294,779,505	5,951,791,471
Depreciable assets.....	125,622,686	161,025,494	122,645,853	128,002,206	203,065,479	3,376,428,912
Less: Accumulated depreciation.....	64,013,676	77,666,215	55,954,789	55,718,446	88,420,644	1,417,913,323
Other capital assets less reserves.....	17,332,329	23,706,803	20,537,091	24,700,330	44,742,456	484,642,109
Total liabilities.....	264,805,890	382,562,892	396,551,507	546,183,678	983,424,801	16,379,893,397
Accounts and notes payable.....	81,572,190	107,352,082	94,656,063	123,671,039	182,244,384	2,286,131,059
Other current liabilities.....	26,094,224	51,768,667	89,039,371	151,359,630	273,692,945	4,535,833,607
Mortgages, notes, and bonds payable in one year or more.....	53,480,008	73,178,680	61,161,788	71,034,833	123,853,444	2,134,418,323
Net worth.....	79,071,783	116,582,466	122,786,915	164,891,766	339,632,457	4,615,025,975
Total receipts.....	515,844,822	590,604,860	409,095,068	389,452,190	595,787,671	6,484,488,468
Business receipts.....	501,008,762	568,363,842	384,404,714	353,871,879	530,994,225	5,380,848,112
Total deductions.....	507,901,868	578,462,753	400,347,937	377,237,916	571,800,978	6,163,959,223
Cost of sales and operations.....	369,170,392	413,790,076	270,961,225	247,263,168	365,538,554	3,467,615,552
Taxes paid.....	9,806,197	11,249,142	8,088,214	7,467,985	11,802,100	154,963,671
Interest paid.....	7,011,854	10,508,793	11,079,269	15,777,513	27,296,167	457,403,643
Depreciation.....	8,724,380	11,638,840	9,232,015	9,577,962	14,821,175	242,643,967
Pension, profit-sharing, stock bonus, and annuity plans.....	1,644,535	1,793,684	1,391,017	1,314,341	2,260,173	38,194,014
Employee benefit programs.....	4,630,186	5,945,439	4,739,861	4,675,750	8,445,323	91,585,679
Net income (less deficit).....	7,757,364	11,809,955	8,169,761	11,092,294	21,435,618	315,569,184
Income subject to tax.....	6,048,333	9,311,660	9,431,343	12,323,125	21,027,646	260,122,210
Income tax, total.....	2,098,826	3,296,358	3,321,685	4,356,690	7,436,981	103,006,310
Alternative minimum tax.....	75,127	142,321	124,500	158,136	252,080	3,891,633
Environmental tax.....	832	5,157	6,622	11,084	22,987	444,125
Foreign tax credit.....	11,799	41,625	80,735	128,773	366,064	20,856,409
U.S. possessions tax credit.....	20,750	104,246	130,905	322,182	514,277	2,628,745
Orphan drug credit.....	-	-	-	-	-	17,826
Nonconventional source fuel credit.....	*1,572	1,588	448	3,257	1,134	223,034
General business credit.....	35,080	49,173	52,371	76,173	123,890	1,451,470
Prior year minimum tax credit.....	30,072	52,293	43,705	57,685	116,634	1,918,389
Total income tax after credits.....	1,999,553	3,047,433	3,013,522	3,768,620	6,314,982	75,910,437
Agriculture, Forestry, and Fishing						
Number of returns.....	631	344	112	56	26	14
Total assets.....	4,300,552	5,130,304	3,903,397	3,990,673	4,143,553	5,661,708
Notes and accounts receivable, net.....	611,925	671,001	558,135	571,273	623,123	653,606
Inventories.....	436,872	715,570	871,856	684,359	776,661	1,072,181
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	506,545	513,768	535,850	374,898	378,770	454,342
Other investments and loans.....	432,213	618,546	382,136	437,257	732,780	1,193,835
Depreciable assets.....	2,647,950	3,123,815	2,214,521	2,409,388	1,845,680	3,663,252
Less: Accumulated depreciation.....	1,513,384	1,555,222	1,127,015	1,174,631	846,232	1,845,185
Other capital assets less reserves.....	1,098,512	912,610	384,427	535,258	592,780	256,676
Total liabilities.....	4,300,552	5,130,304	3,903,397	3,990,673	4,143,553	5,661,708
Accounts and notes payable.....	1,103,952	1,270,075	1,059,681	1,332,327	1,186,941	919,544
Other current liabilities.....	353,483	322,045	147,968	272,118	239,816	414,297
Mortgages, notes, and bonds payable in one year or more.....	1,102,946	1,254,341	693,203	737,992	968,906	991,943
Net worth.....	1,155,084	1,708,568	1,368,063	1,060,081	1,389,181	2,839,735
Total receipts.....	6,065,616	6,624,404	4,669,647	4,770,401	5,081,661	7,091,096
Business receipts.....	5,747,732	6,270,563	4,438,754	4,598,153	4,848,242	6,805,226
Total deductions.....	5,981,949	6,591,244	4,601,872	4,782,645	5,054,872	6,735,937
Cost of sales and operations.....	3,877,680	4,543,352	3,523,036	3,668,906	3,963,756	4,368,507
Taxes paid.....	126,540	102,868	70,730	71,564	66,439	126,727
Interest paid.....	152,589	152,709	98,590	94,293	134,950	139,127
Depreciation.....	177,655	215,578	143,986	176,569	101,714	254,620
Pension, profit-sharing, stock bonus, and annuity plans.....	17,709	14,783	8,856	9,544	10,656	17,801
Employee benefit programs.....	46,066	40,121	28,918	44,800	56,815	153,350
Net income (less deficit).....	83,448	35,239	67,181	-12,854	26,451	434,825
Income subject to tax.....	100,091	125,350	119,031	97,481	53,461	471,894
Income tax, total.....	34,295	44,987	41,458	36,310	21,679	162,775
Alternative minimum tax.....	*1,130	2,400	*903	3,074	3,401	719
Environmental tax.....	-	69	84	104	101	644
Foreign tax credit.....	3	-	*2,220	129	1,097	39,323
U.S. possessions tax credit.....	-	3,895	-	-	-	-
Orphan drug credit.....	-	-	-	-	-	-
Nonconventional source fuel credit.....	-	-	-	10	-	30
General business credit.....	*1,042	*107	*1,450	352	53	2,062
Prior year minimum tax credit.....	*720	*383	*242	459	328	2,442
Total income tax after credits.....	32,531	40,602	37,546	35,362	20,202	118,917

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 4—Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division, by Size of Total Assets—Continued

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

Industrial division and item	Total returns of active corporations	Size of total assets					
		Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Mining							
Number of returns.....	36,660	1,985	16,341	5,596	4,431	3,569	3,153
Total assets.....	218,211,769	-	560,714	850,936	1,560,551	2,531,603	6,452,359
Notes and accounts receivable, net.....	19,097,388	-	20,936	125,383	283,448	434,012	997,506
Inventories.....	6,454,160	-	*36,770	*38,275	55,173	25,039	184,362
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	17,974,273	-	130,914	190,700	321,628	611,301	1,354,582
Other investments and loans.....	81,229,719	-	76,407	*102,000	159,565	493,762	1,277,897
Depreciable assets.....	110,023,420	-	772,700	1,174,032	1,340,068	1,825,752	4,151,732
Less: Accumulated depreciation.....	54,699,823	-	625,905	933,909	962,987	1,282,200	2,782,798
Other capital assets less reserves.....	31,145,156	-	96,692	126,503	330,668	361,571	974,775
Total liabilities.....	218,211,769	-	560,714	850,936	1,560,551	2,531,603	6,452,359
Accounts and notes payable.....	24,656,450	-	138,925	227,094	2,634,962	642,734	1,457,312
Other current liabilities.....	10,615,838	-	352,037	21,424	135,571	278,771	393,586
Mortgages, notes, and bonds payable in one year or more.....	49,702,581	-	989,352	104,680	319,173	606,253	1,234,822
Net worth.....	106,082,663	-	-1,281,735	-16,482	-2,018,186	615,624	2,109,987
Total receipts.....	112,830,722	1,252,576	1,326,482	1,303,945	1,835,942	3,642,627	6,397,666
Business receipts.....	102,467,999	1,111,694	1,251,926	1,193,702	1,723,422	3,417,926	5,849,418
Total deductions.....	110,301,522	1,300,074	1,409,301	1,364,258	1,833,161	3,647,995	6,273,654
Cost of sales and operations.....	67,184,989	641,564	321,854	517,407	485,241	1,692,804	2,864,428
Taxes paid.....	3,307,067	26,989	47,342	59,194	96,814	171,188	274,800
Interest paid.....	5,153,228	35,056	35,396	22,176	29,907	81,929	193,985
Depreciation.....	5,970,320	79,203	55,302	58,727	97,145	163,468	323,336
Pension, profit-sharing, stock bonus, and annuity plans.....	477,417	*7,833	*6,150	*83	*1,947	*7,009	*26,747
Employee benefit programs.....	1,516,832	17,425	*3,924	*7,235	27,571	73,648	184,462
Net income (less deficit).....	2,706,769	-47,507	-82,819	-60,313	2,781	-7,341	121,784
Income subject to tax.....	4,268,855	*23,609	*27,824	*28,068	30,424	42,668	78,372
Income tax, total.....	1,657,953	9,530	*4,174	*5,259	4,885	11,988	27,975
Alternative minimum tax.....	222,172	1,395	-	*64	-	*2,032	5,596
Environmental tax.....	7,355	*40	-	-	-	-	4
Foreign tax credit.....	599,700	-	-	-	-	6	-
U.S. possessions tax credit.....	-	-	-	-	-	-	-
Orphan drug credit.....	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	20,042	*496	-	-	*675	5	-
General business credit.....	21,221	*491	*14	-	-	*66	*464
Prior year minimum tax credit.....	47,459	-	-	-	-	-	*110
Total income tax after credits.....	969,531	8,544	*4,160	*5,259	4,210	11,911	27,401
Construction							
Number of returns.....	407,881	18,905	222,227	64,835	41,243	27,228	28,322
Total assets.....	231,050,110	-	6,542,634	10,692,135	14,788,837	19,020,296	57,652,504
Notes and accounts receivable, net.....	83,366,013	-	915,065	2,435,356	3,672,034	5,193,466	19,175,492
Inventories.....	27,818,870	-	406,756	1,292,711	2,051,909	3,096,297	8,339,605
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	52,243,778	-	1,618,649	2,456,627	3,576,167	4,672,517	14,163,801
Other investments and loans.....	36,215,734	-	875,828	1,146,297	1,255,258	1,352,138	4,200,139
Depreciable assets.....	98,692,505	-	8,403,659	8,832,543	9,438,810	10,311,616	24,640,296
Less: Accumulated depreciation.....	62,113,208	-	6,069,769	6,066,931	6,359,754	6,833,274	15,958,930
Other capital assets less reserves.....	8,431,701	-	243,263	358,586	738,912	880,628	1,986,697
Total liabilities.....	231,050,110	-	6,542,634	10,692,135	14,788,837	19,020,296	57,652,504
Accounts and notes payable.....	70,540,434	-	2,088,646	3,058,758	4,522,495	5,813,543	20,657,107
Other current liabilities.....	30,332,779	-	802,811	999,754	1,317,746	2,145,159	4,797,588
Mortgages, notes, and bonds payable in one year or more.....	34,747,506	-	1,303,808	1,744,304	2,216,776	2,518,057	6,384,463
Net worth.....	71,556,252	-	201,375	3,332,177	5,139,754	6,590,299	17,879,973
Total receipts.....	499,405,033	3,772,640	47,930,053	42,215,164	42,981,255	45,245,325	130,630,652
Business receipts.....	488,401,977	3,543,714	47,694,469	41,839,084	42,186,784	44,671,056	128,640,296
Total deductions.....	493,857,790	3,829,721	47,523,733	41,812,488	42,536,334	44,827,395	129,347,430
Cost of sales and operations.....	376,299,025	2,765,520	28,107,006	28,444,257	30,141,815	32,728,398	103,115,648
Taxes paid.....	10,782,787	87,391	1,566,547	1,274,704	1,193,572	1,233,786	2,905,089
Interest paid.....	5,413,320	57,336	348,139	346,320	353,315	417,488	1,066,331
Depreciation.....	8,200,586	52,601	860,320	847,156	853,868	866,718	2,027,144
Pension, profit-sharing, stock bonus, and annuity plans.....	2,240,978	*4,537	88,370	166,288	180,539	256,392	703,164
Employee benefit programs.....	4,306,270	21,896	462,182	383,863	373,789	557,498	1,185,387
Net income (less deficit).....	5,505,062	-100,596	406,320	400,094	442,708	414,024	1,259,664
Income subject to tax.....	5,268,233	29,304	262,567	377,409	496,610	493,667	1,254,381
Income tax, total.....	1,550,717	5,713	41,422	61,157	95,726	107,672	388,129
Alternative minimum tax.....	79,843	*176	-	*53	*1,163	3,726	30,646
Environmental tax.....	2,333	-	-	-	-	-	7
Foreign tax credit.....	88,527	-	4	4	*97	-	*1,240
U.S. possessions tax credit.....	2,596	-	-	-	66	-	431
Orphan drug credit.....	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	*397	-	-	-	-	-	-
General business credit.....	27,299	*300	*1,001	*224	2,945	*1,015	7,378
Prior year minimum tax credit.....	55,350	*118	-	*565	*1,402	1,147	30,698
Total income tax after credits.....	1,376,546	5,295	40,417	60,363	91,216	105,509	348,381

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 4—Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division, by Size of Total Assets—Continued

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

Industrial division and item	Size of total assets—Continued					
	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
	(8)	(9)	(10)	(11)	(12)	(13)
Mining						
Number of returns.....	689	435	171	105	88	96
Total assets.....	4,728,826	6,623,843	6,266,509	7,613,462	14,756,184	168,266,780
Notes and accounts receivable, net.....	654,200	935,933	805,963	956,709	1,843,283	12,040,014
Inventories.....	183,116	241,661	280,891	282,836	655,329	4,470,708
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	1,002,496	925,960	851,426	1,059,702	1,612,778	9,912,790
Other investments and loans.....	855,514	907,346	1,100,273	1,003,291	2,580,162	72,673,502
Depreciable assets.....	2,923,987	4,703,824	3,416,104	4,243,230	9,253,515	76,218,475
Less: Accumulated depreciation.....	2,029,051	2,855,047	1,798,526	2,261,707	5,258,328	33,909,364
Other capital assets less reserves.....	938,956	1,505,138	1,428,205	1,983,965	3,374,091	20,024,592
Total liabilities.....	4,728,826	6,623,843	6,266,509	7,613,462	14,756,184	168,266,780
Accounts and notes payable.....	1,039,506	1,274,498	993,089	1,131,907	1,705,360	13,411,062
Other current liabilities.....	301,640	387,671	298,723	504,420	732,620	7,209,374
Mortgages, notes, and bonds payable in one year or more.....	699,485	1,140,816	1,474,834	1,618,174	3,731,818	37,783,173
Net worth.....	2,252,185	2,761,925	2,607,309	3,658,181	6,964,132	88,429,743
Total receipts.....	3,477,280	5,427,028	3,932,873	3,976,678	9,969,419	70,288,206
Business receipts.....	2,971,919	4,885,509	3,607,164	3,391,460	9,122,095	63,941,764
Total deductions.....	3,447,947	5,314,914	3,933,298	3,914,081	9,931,078	67,931,761
Cost of sales and operations.....	1,705,571	2,938,665	2,303,953	2,084,038	6,414,473	45,214,992
Taxes paid.....	130,446	196,115	127,540	125,970	383,357	1,667,313
Interest paid.....	101,572	185,002	120,622	192,046	375,481	3,803,058
Depreciation.....	169,887	349,457	262,951	232,933	531,024	3,646,888
Pension, profit-sharing, stock bonus, and annuity plans.....	23,644	18,298	11,310	12,522	31,026	330,850
Employee benefit programs.....	53,714	71,381	58,655	51,976	120,956	845,886
Net income (less deficit).....	23,722	107,851	-2,613	60,861	35,732	2,554,630
Income subject to tax.....	59,098	105,740	121,441	131,197	276,689	3,343,725
Income tax, total.....	26,120	46,135	54,596	59,086	118,866	1,289,341
Alternative minimum tax.....	6,676	9,726	13,182	14,415	23,682	145,404
Environmental tax.....	*22	91	145	291	700	6,063
Foreign tax credit.....	-	*1,734	*2,473	3,114	35,173	557,200
U.S. possessions tax credit.....	-	-	-	-	-	-
Orphan drug credit.....	-	-	-	-	-	-
Nonconventional source fuel credit.....	*246	*687	*408	2,005	376	15,144
General business credit.....	*2,554	*1,413	-	1,141	1,994	13,084
Prior year minimum tax credit.....	*834	*317	*458	2,175	4,944	38,621
Total income tax after credits.....	22,486	41,983	51,256	50,651	76,379	665,291
Construction						
Number of returns.....	3,166	1,375	323	156	66	36
Total assets.....	21,366,523	20,693,363	11,505,857	10,226,545	11,896,411	46,665,004
Notes and accounts receivable, net.....	7,270,334	6,659,082	3,455,416	3,312,048	3,725,909	7,551,809
Inventories.....	2,431,472	2,630,569	1,430,413	896,321	1,355,434	3,887,384
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	5,992,634	5,482,573	2,420,519	2,432,166	2,068,187	7,359,942
Other investments and loans.....	1,636,470	1,793,313	1,417,204	997,591	1,689,985	19,851,509
Depreciable assets.....	7,853,969	7,961,824	4,496,885	4,045,485	3,609,267	9,098,151
Less: Accumulated depreciation.....	4,979,390	5,013,334	2,539,307	2,233,013	1,588,414	4,471,092
Other capital assets less reserves.....	685,239	746,534	512,984	440,635	655,144	1,183,079
Total liabilities.....	21,366,523	20,693,363	11,505,857	10,226,545	11,896,411	46,665,004
Accounts and notes payable.....	6,806,945	7,071,183	3,484,745	3,123,697	3,517,763	10,395,553
Other current liabilities.....	3,558,274	3,129,138	1,360,064	1,568,659	2,554,204	5,399,384
Mortgages, notes, and bonds payable in one year or more.....	2,089,904	2,352,410	1,934,436	1,496,744	2,159,084	10,547,520
Net worth.....	7,356,045	6,768,801	3,612,318	3,237,456	2,672,739	14,765,312
Total receipts.....	44,642,006	41,103,243	20,311,029	17,878,179	19,338,578	43,356,909
Business receipts.....	43,915,697	40,296,531	19,742,849	17,388,261	18,621,842	39,813,726
Total deductions.....	43,782,894	40,453,915	20,081,864	17,625,654	19,301,374	42,734,988
Cost of sales and operations.....	36,990,206	34,445,076	17,036,235	15,176,098	15,981,649	31,387,117
Taxes paid.....	799,788	623,464	265,278	224,288	212,208	396,673
Interest paid.....	325,782	322,726	203,581	155,239	326,274	1,490,789
Depreciation.....	586,182	599,386	370,400	298,904	274,627	565,281
Pension, profit-sharing, stock bonus, and annuity plans.....	296,956	182,324	77,340	63,102	38,546	183,421
Employee benefit programs.....	300,982	269,903	141,897	85,935	127,188	395,749
Net income (less deficit).....	827,143	621,113	219,482	235,130	32,370	747,610
Income subject to tax.....	460,893	399,980	248,332	215,852	231,367	797,871
Income tax, total.....	159,637	141,732	88,455	76,233	85,145	299,696
Alternative minimum tax.....	5,518	4,691	3,072	1,477	4,423	24,697
Environmental tax.....	*26	64	157	364	297	1,418
Foreign tax credit.....	2	*1,342	*1,266	3	11,407	73,163
U.S. possessions tax credit.....	879	-	1,221	-	-	-
Orphan drug credit.....	-	-	-	-	-	-
Nonconventional source fuel credit.....	-	*275	7	116	-	-
General business credit.....	*581	*1,845	2,310	849	1,169	7,683
Prior year minimum tax credit.....	6,102	4,597	*1,223	2,425	3,600	3,474
Total income tax after credits.....	152,074	133,672	82,430	72,841	68,970	215,377

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 4--Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division, by Size of Total Assets--Continued

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

Industrial division and item	Total returns of active corporations	Size of total assets					
		Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Manufacturing							
Number of returns.....	300,071	11,676	114,033	46,192	36,837	30,065	41,807
Total assets.....	4,113,123,804	-	3,985,848	7,547,922	13,346,295	21,118,418	92,858,215
Notes and accounts receivable, net.....	872,779,884	-	896,171	1,863,343	3,557,870	5,450,272	24,076,852
Inventories.....	371,341,238	-	606,525	1,285,027	2,418,084	4,238,316	21,802,924
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	356,919,908	-	743,251	1,359,308	2,286,138	3,633,146	12,550,297
Other investments and loans.....	1,042,381,429	-	372,329	560,324	675,118	1,309,523	4,443,434
Depreciable assets.....	1,807,067,491	-	4,501,184	6,192,123	11,709,891	16,000,333	64,554,449
Less: Accumulated depreciation.....	919,685,911	-	3,381,366	4,225,505	8,059,834	10,564,096	39,793,543
Other capital assets less reserves.....	301,709,631	-	118,973	236,847	430,292	727,487	3,337,154
Total liabilities.....	4,113,123,804	-	3,985,848	7,547,922	13,346,295	21,118,418	92,858,215
Accounts and notes payable.....	818,190,145	-	1,547,528	2,154,807	3,656,186	5,782,516	27,296,162
Other current liabilities.....	355,374,251	-	695,565	654,709	1,196,701	1,606,229	8,280,888
Mortgages, notes, and bonds payable in one year or more.....	871,762,206	-	844,716	1,527,614	2,569,847	3,997,750	15,252,715
Net worth.....	1,411,948,243	-	-1,646,934	1,225,723	3,762,519	7,262,424	34,102,875
Total receipts.....	3,760,265,837	11,992,539	22,507,109	23,068,030	35,564,270	50,828,243	208,173,736
Business receipts.....	3,513,707,078	11,494,637	22,127,896	22,821,984	35,083,969	50,190,658	205,323,081
Total deductions.....	3,633,844,572	12,182,480	22,837,317	23,178,930	35,427,769	50,245,674	204,254,790
Cost of sales and operations.....	2,402,877,254	8,368,164	12,469,844	13,173,954	22,292,571	32,506,743	143,224,532
Taxes paid.....	93,580,852	210,132	671,168	769,550	1,161,712	1,504,165	5,113,820
Interest paid.....	127,971,817	281,653	185,229	263,555	432,253	623,522	2,628,721
Depreciation.....	128,364,195	329,884	373,509	578,228	881,377	1,227,379	4,694,886
Pension, profit-sharing, stock bonus, and annuity plans.....	26,275,735	63,949	41,414	74,321	146,270	246,830	890,181
Employee benefit programs.....	62,653,995	236,278	198,784	213,046	459,676	616,564	2,690,420
Net income (less deficit).....	143,627,403	-176,769	-330,208	-112,058	136,228	578,068	3,907,154
Income subject to tax.....	151,716,109	272,801	138,707	239,850	398,455	687,960	2,811,985
Income tax, total.....	53,369,555	96,275	21,709	45,527	76,617	154,088	883,869
Alternative minimum tax.....	1,822,247	4,692	*40	*1,678	*820	3,435	21,261
Environmental tax.....	199,706	233	-	-	-	-	*23
Foreign tax credit.....	15,358,288	*5,308	-	-	-	-	584
U.S. possessions tax credit.....	3,619,287	9,027	-	-	289	1,107	13,870
Orphan drug credit.....	17,826	-	-	-	-	-	-
Nonconventional source fuel credit.....	134,312	-	-	-	-	-	-
General business credit.....	943,443	1,272	*403	*799	2,123	2,498	30,484
Prior year minimum tax credit.....	444,728	*1,515	-	-	*75	*860	7,614
Total income tax after credits.....	32,851,672	79,152	21,306	44,728	74,130	149,623	831,316
Transportation and Public Utilities							
Number of returns.....	178,284	14,561	90,340	25,129	18,348	13,284	12,287
Total assets.....	1,641,997,827	-	2,933,392	3,991,396	6,479,352	9,445,384	26,008,970
Notes and accounts receivable, net.....	165,781,043	-	399,378	607,669	1,502,273	1,984,009	5,536,519
Inventories.....	29,240,373	-	27,238	87,250	178,603	175,379	769,841
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	97,968,656	-	790,655	695,724	1,211,365	1,836,722	4,303,488
Other investments and loans.....	250,037,374	-	283,596	404,196	473,599	658,847	2,364,140
Depreciable assets.....	1,431,273,184	-	3,850,688	4,856,496	8,294,693	9,989,890	24,997,216
Less: Accumulated depreciation.....	528,027,400	-	2,737,456	3,200,236	5,762,315	6,154,609	14,563,892
Other capital assets less reserves.....	85,342,828	-	105,883	154,521	273,971	496,589	1,627,134
Total liabilities.....	1,641,997,827	-	2,933,392	3,991,396	6,479,352	9,445,384	26,008,970
Accounts and notes payable.....	195,684,916	-	782,526	1,165,534	1,778,158	4,218,239	7,038,544
Other current liabilities.....	131,497,289	-	323,241	321,586	801,514	733,140	2,498,668
Mortgages, notes, and bonds payable in one year or more.....	506,309,738	-	864,417	1,002,375	1,745,897	2,562,718	7,553,083
Net worth.....	535,664,915	-	-438,445	714,041	1,077,336	-48,232	4,970,712
Total receipts.....	997,640,581	4,336,455	26,152,023	13,360,741	18,011,529	22,159,321	51,906,830
Business receipts.....	841,456,847	3,710,598	25,705,110	13,155,484	17,652,340	21,533,955	50,501,145
Total deductions.....	956,469,140	4,552,755	26,107,502	13,308,884	17,924,483	21,957,997	51,480,549
Cost of sales and operations.....	381,368,495	1,392,110	12,192,702	4,932,871	7,067,955	9,282,842	24,729,281
Taxes paid.....	44,290,556	138,091	497,080	484,829	695,851	743,123	1,814,141
Interest paid.....	56,073,874	501,562	129,991	138,410	266,782	368,297	985,840
Depreciation.....	85,949,931	243,617	428,049	508,070	741,500	982,958	2,329,754
Pension, profit-sharing, stock bonus, and annuity plans.....	7,320,301	3,555	*6,391	*28,309	43,876	37,392	198,799
Employee benefit programs.....	21,402,343	40,367	116,121	112,146	239,246	208,767	623,584
Net income (less deficit).....	41,789,809	-216,315	44,521	51,338	86,640	199,881	417,586
Income subject to tax.....	50,135,337	61,139	119,981	148,533	189,837	289,514	768,905
Income tax, total.....	17,942,081	19,085	18,468	25,820	36,967	69,051	262,504
Alternative minimum tax.....	970,451	*2,315	*138	*142	*497	*1,633	23,734
Environmental tax.....	87,673	*11	-	-	-	-	*78
Foreign tax credit.....	478,522	-	-	-	-	-	5,555
U.S. possessions tax credit.....	58,729	-	-	439	-	60	-
Orphan drug credit.....	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	58,112	-	-	-	-	-	(1)
General business credit.....	352,638	*12	*673	*1,830	*1,341	4,712	5,827
Prior year minimum tax credit.....	366,463	-	-	-	-	*738	8,349
Total income tax after credits.....	16,627,618	19,073	17,794	23,550	35,626	63,541	242,774

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 4—Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division, by Size of Total Assets—Continued

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

Industrial division and item	Size of total assets—Continued					
	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
	(8)	(9)	(10)	(11)	(12)	(13)
Manufacturing						
Number of returns.....	7,952	5,731	2,345	1,329	972	1,133
Total assets.....	55,641,343	89,031,318	82,103,736	94,303,237	154,860,152	3,498,327,321
Notes and accounts receivable, net.....	13,994,742	20,683,716	17,997,034	18,950,881	29,114,219	736,214,823
Inventories.....	13,350,622	20,419,504	17,375,955	18,046,344	25,751,709	246,046,207
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	7,590,904	11,295,216	10,814,082	11,682,956	18,164,985	278,799,625
Other investments and loans.....	2,942,660	5,794,836	8,102,329	9,065,712	17,944,729	993,170,636
Depreciable assets.....	35,156,055	53,217,235	44,781,843	49,644,514	79,046,242	1,442,283,614
Less: Accumulated depreciation.....	20,568,858	28,899,003	22,573,059	23,613,426	37,486,606	720,520,515
Other capital assets less reserves.....	2,118,688	4,186,618	4,992,575	6,728,172	14,499,042	284,333,803
Total liabilities.....	55,641,343	89,031,318	82,103,736	94,303,237	154,860,152	3,498,327,321
Accounts and notes payable.....	15,757,871	22,551,301	18,684,802	19,289,614	27,349,119	674,120,239
Other current liabilities.....	5,418,565	8,033,209	7,471,539	8,913,750	15,473,480	297,629,615
Mortgages, notes, and bonds payable in one year or more.....	9,238,457	15,850,453	16,301,729	21,169,159	35,844,119	749,165,646
Net worth.....	21,828,003	37,306,068	34,940,337	38,507,505	62,724,144	1,171,935,550
Total receipts.....	111,092,350	161,860,243	128,809,346	133,921,908	197,957,341	2,674,490,724
Business receipts.....	109,335,541	159,054,800	128,158,785	130,431,461	191,444,380	2,450,239,886
Total deductions.....	107,858,755	156,300,040	124,484,262	129,769,602	189,933,422	2,577,251,531
Cost of sales and operations.....	77,361,059	114,436,022	89,687,453	92,178,109	130,694,031	1,666,466,972
Taxes paid.....	2,447,230	3,232,257	2,458,415	2,471,285	4,114,227	89,426,889
Interest paid.....	1,432,432	2,237,795	2,169,478	2,775,044	4,708,447	110,233,667
Depreciation.....	2,401,756	3,854,327	3,415,465	3,766,263	5,845,044	100,966,077
Pension, profit-sharing, stock bonus, and annuity plans.....	465,943	724,142	643,230	578,286	1,141,743	21,259,446
Employee benefit programs.....	1,549,542	2,284,549	1,932,510	2,078,997	3,676,611	46,736,019
Net income (less deficit).....	3,113,045	5,546,844	4,300,864	4,148,794	8,198,876	114,316,565
Income subject to tax.....	1,980,198	3,581,688	3,945,448	4,810,801	8,513,351	124,634,868
Income tax, total.....	690,859	1,251,795	1,274,349	1,698,769	2,984,175	44,191,423
Alternative minimum tax.....	23,740	32,836	35,909	54,840	74,262	1,568,735
Environmental tax.....	208	1,627	2,861	4,663	9,498	180,593
Foreign tax credit.....	*379	15,280	28,955	54,117	225,187	15,028,497
U.S. possessions tax credit.....	17,374	98,986	119,655	319,985	508,746	2,532,249
Orphan drug credit.....	-	-	-	-	-	17,826
Nonconventional source fuel credit.....	*1,201	*19	*15	234	627	132,216
General business credit.....	13,946	25,127	29,018	39,116	66,364	732,293
Prior year minimum tax credit.....	7,512	20,885	14,888	16,658	39,743	334,976
Total income tax after credits.....	650,547	1,093,517	1,081,818	1,288,659	2,143,507	25,413,367
Transportation and Public Utilities						
Number of returns.....	1,832	1,221	444	261	202	375
Total assets.....	12,927,876	18,715,376	16,202,546	18,501,081	31,693,829	1,495,098,624
Notes and accounts receivable, net.....	2,598,378	2,988,051	2,678,987	3,105,831	3,887,742	140,492,204
Inventories.....	314,625	347,172	328,261	351,711	449,774	26,210,521
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	2,063,837	2,759,285	1,918,166	2,144,220	3,148,335	77,096,862
Other investments and loans.....	1,135,222	1,563,560	1,818,189	1,382,355	3,682,778	236,270,895
Depreciable assets.....	11,314,499	16,390,558	12,437,906	14,128,030	22,198,833	1,302,814,377
Less: Accumulated depreciation.....	5,890,721	7,725,692	5,454,611	5,943,719	8,874,885	461,719,263
Other capital assets less reserves.....	916,797	1,624,224	1,643,189	2,495,781	5,314,560	70,690,182
Total liabilities.....	12,927,876	18,715,376	16,202,546	18,501,081	31,693,829	1,495,098,624
Accounts and notes payable.....	3,063,347	4,148,922	3,339,314	4,025,968	5,213,205	160,911,162
Other current liabilities.....	1,285,996	1,735,812	1,392,231	1,838,665	2,781,748	117,784,690
Mortgages, notes, and bonds payable in one year or more.....	3,898,100	6,926,205	5,811,403	8,029,109	12,470,372	455,446,059
Net worth.....	2,896,017	4,201,308	3,675,124	2,674,452	7,305,680	508,636,922
Total receipts.....	21,423,579	24,154,599	19,429,421	17,591,001	25,701,861	753,413,221
Business receipts.....	20,657,425	23,249,459	18,188,733	16,832,048	23,769,421	706,701,127
Total deductions.....	21,060,109	23,856,876	19,048,363	17,375,247	24,982,230	714,834,125
Cost of sales and operations.....	10,051,322	11,689,009	8,436,068	7,508,383	10,928,156	273,157,795
Taxes paid.....	736,058	766,803	688,545	624,373	895,401	36,206,260
Interest paid.....	465,724	694,878	633,739	929,913	1,448,584	49,510,155
Depreciation.....	988,892	1,277,038	1,029,438	1,082,355	1,574,035	74,764,227
Pension, profit-sharing, stock bonus, and annuity plans.....	83,815	82,161	91,687	65,248	110,221	6,568,646
Employee benefit programs.....	367,422	438,972	362,906	301,259	490,578	18,100,974
Net income (less deficit).....	356,630	285,662	377,644	219,344	734,618	39,232,261
Income subject to tax.....	425,509	526,582	482,883	516,136	1,202,506	45,403,813
Income tax, total.....	150,619	188,235	182,044	192,239	431,465	16,365,582
Alternative minimum tax.....	6,780	9,271	17,472	15,643	20,670	872,156
Environmental tax.....	80	198	498	782	1,824	84,201
Foreign tax credit.....	-	2	*801	4,059	3,500	464,604
U.S. possessions tax credit.....	-	633	-	-	-	57,597
Orphan drug credit.....	-	-	-	-	-	-
Nonconventional source fuel credit.....	-	1	-	552	-	57,558
General business credit.....	2,970	2,019	*1,459	7,114	10,846	313,833
Prior year minimum tax credit.....	3,430	3,006	3,827	4,234	10,040	332,839
Total income tax after credits.....	144,220	182,573	175,957	178,280	407,079	15,139,151

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 4--Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division, by Size of Total Assets--Continued

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

Industrial division and item	Total returns of active corporations	Size of total assets					
		Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Wholesale and Retail Trade							
Number of returns.....	1,052,713	60,159	462,793	214,430	122,751	82,498	88,718
Total assets.....	1,581,910,771	-	17,340,178	34,715,598	43,770,312	57,831,467	186,511,478
Notes and accounts receivable, net.....	333,154,648	-	1,789,963	5,313,586	7,821,022	12,221,646	42,953,807
Inventories.....	421,263,752	-	5,277,906	11,087,926	14,517,295	19,472,375	75,385,805
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	225,387,876	-	3,453,614	5,914,580	6,801,292	8,318,683	21,807,993
Other investments and loans.....	190,252,110	-	1,009,835	2,267,512	3,048,215	3,601,893	8,648,267
Depreciable assets.....	512,583,011	-	13,436,220	18,928,840	21,958,256	25,767,300	67,458,439
Less: Accumulated depreciation.....	240,142,647	-	9,186,635	11,774,376	13,793,790	15,441,805	39,234,965
Other capital assets less reserves.....	84,356,210	-	592,881	1,370,914	1,845,465	2,633,217	6,614,613
Total liabilities.....	1,581,910,771	-	17,340,178	34,715,598	43,770,312	57,831,467	186,511,478
Accounts and notes payable.....	543,400,811	-	5,592,727	9,535,419	12,544,224	17,842,817	77,609,895
Other current liabilities.....	188,755,214	-	1,698,910	2,454,643	2,847,562	3,857,165	12,082,163
Mortgages, notes, and bonds payable in one year or more.....	283,339,263	-	3,716,948	7,408,566	7,951,380	9,202,552	24,164,446
Net worth.....	404,190,512	-	-3,376,719	7,649,825	13,812,367	20,200,444	58,086,994
Total receipts.....	3,503,944,396	48,703,855	98,764,486	138,803,328	149,322,339	188,249,170	625,955,506
Business receipts.....	3,416,387,593	47,330,284	97,912,853	137,174,258	147,539,017	185,498,955	617,842,977
Total deductions.....	3,463,379,154	49,104,521	99,505,105	138,403,919	148,390,445	186,489,382	620,365,543
Cost of sales and operations.....	2,618,368,057	37,825,271	59,422,613	92,617,285	101,561,372	133,624,568	487,910,119
Taxes paid.....	53,253,403	854,562	2,863,896	3,186,617	3,213,833	3,649,187	8,891,101
Interest paid.....	50,510,058	425,458	644,458	1,288,902	1,288,902	1,535,202	5,138,204
Depreciation.....	45,159,556	404,346	1,134,580	1,626,594	1,695,676	1,954,600	5,165,876
Pension, profit-sharing, stock bonus, and annuity plans.....	7,220,636	43,684	138,975	260,484	298,134	419,843	1,210,114
Employee benefit programs.....	21,818,532	230,395	363,442	529,653	632,957	949,107	2,994,978
Net income (less deficit).....	41,343,782	-403,255	-741,624	396,219	927,023	1,747,406	5,557,078
Income subject to tax.....	44,854,072	378,320	436,567	1,020,193	1,186,342	1,607,317	3,984,347
Income tax, total.....	14,844,365	128,456	68,768	172,135	213,843	340,631	1,135,929
Alternative minimum tax.....	428,635	6,597	-	*272	*257	2,612	15,855
Environmental tax.....	48,072	383	-	-	2	-	*33
Foreign tax credit.....	1,242,782	*23	-	-	*100	2	*381
U.S. possessions tax credit.....	29,971	-	-	4	-	75	614
Orphan drug credit.....	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	1,489	-	-	-	-	*428	-
General business credit.....	248,272	2,385	*2,048	3,025	1,704	7,334	8,689
Prior year minimum tax credit.....	164,532	2,189	-	-	*238	*566	9,163
Total income tax after credits.....	13,157,318	123,860	66,721	169,106	211,801	332,226	1,117,081
Finance, Insurance, and Real Estate							
Number of returns.....	635,268	48,328	280,977	101,226	71,288	48,901	51,944
Total assets.....	11,480,469,997	-	8,677,245	16,605,649	25,088,005	34,773,226	107,730,486
Notes and accounts receivable, net.....	2,483,804,042	-	528,153	1,319,902	1,906,547	2,806,820	9,730,666
Inventories.....	29,140,429	-	*26,826	338,968	600,729	1,230,804	5,037,484
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	3,094,784,903	-	3,255,282	4,351,943	6,042,141	6,928,502	18,888,906
Other investments and loans.....	4,871,686,612	-	1,518,011	3,241,974	4,601,044	6,052,773	21,924,563
Depreciable assets.....	398,548,440	-	6,351,524	8,961,372	12,871,740	17,385,627	47,896,643
Less: Accumulated depreciation.....	136,502,772	-	4,277,663	4,681,262	5,692,896	6,311,312	15,658,299
Other capital assets less reserves.....	108,434,520	-	988,743	2,551,597	3,852,635	5,531,583	16,301,132
Total liabilities.....	11,480,469,997	-	8,677,245	16,605,649	25,088,005	34,773,226	107,730,486
Accounts and notes payable.....	1,385,410,556	-	1,504,364	3,370,689	2,636,509	4,422,716	15,552,297
Other current liabilities.....	4,413,306,982	-	1,466,328	1,212,155	1,457,859	1,990,574	8,345,412
Mortgages, notes, and bonds payable in one year or more.....	801,769,579	-	2,155,359	4,518,897	7,847,749	11,425,051	38,165,349
Net worth.....	2,949,156,395	-	-9,838,294	2,842,074	7,429,087	9,450,637	24,362,571
Total receipts.....	1,900,428,224	59,875,503	28,117,325	16,716,993	15,478,562	14,091,813	38,400,854
Business receipts.....	989,306,810	9,406,748	25,986,031	15,075,014	13,344,157	11,664,144	31,431,675
Total deductions.....	1,724,307,330	58,950,427	28,043,430	16,368,747	15,061,954	13,708,855	37,539,231
Cost of sales and operations.....	575,172,643	2,178,215	4,885,478	2,627,644	3,126,740	3,001,729	10,117,604
Taxes paid.....	35,686,529	1,067,550	821,966	727,113	673,680	684,168	1,765,845
Interest paid.....	326,347,417	35,114,261	650,827	397,289	469,907	800,172	2,872,596
Depreciation.....	33,658,815	638,697	373,866	352,145	394,485	450,481	1,267,439
Pension, profit-sharing, stock bonus, and annuity plans.....	6,954,230	90,012	149,008	142,092	111,443	89,030	197,281
Employee benefit programs.....	15,767,467	292,928	169,355	165,242	174,124	158,016	345,971
Net income (less deficit).....	146,978,975	728,500	58,863	344,802	426,099	369,431	795,902
Income subject to tax.....	101,570,714	2,967,354	404,844	476,431	519,140	530,900	1,323,302
Income tax, total.....	35,433,128	1,098,379	81,955	92,061	105,698	129,167	399,398
Alternative minimum tax.....	1,107,216	21,233	*154	*98	682	1,081	16,488
Environmental tax.....	131,745	3,975	*104	*14	*33	*22	114
Foreign tax credit.....	3,155,108	5,646	5	-	*6,851	*11	5,471
U.S. possessions tax credit.....	22,486	47	-	-	-	-	127
Orphan drug credit.....	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	18,700	-	-	*153	-	*286	*170
General business credit.....	204,908	1,573	*520	*242	*338	1,942	2,521
Prior year minimum tax credit.....	1,129,382	16,116	-	*82	80	*26	3,507
Total income tax after credits.....	30,902,544	1,072,997	81,431	91,584	98,429	128,973	387,602

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 4--Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division, by Size of Total Assets--Continued

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

Industrial division and item	Size of total assets--Continued					
	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
	(8)	(9)	(10)	(11)	(12)	(13)
Wholesale and Retail Trade						
Number of returns.....	11,831	6,033	1,736	783	542	439
Total assets.....	81,765,720	91,283,617	60,064,294	54,393,288	86,555,430	867,679,390
Notes and accounts receivable, net.....	18,991,557	22,362,480	14,577,679	12,100,843	17,257,821	177,764,244
Inventories.....	32,046,261	31,561,654	18,713,846	16,385,679	22,636,896	174,178,108
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	9,322,786	10,009,360	6,837,581	6,415,749	9,808,955	136,697,279
Other investments and loans.....	4,638,578	5,455,620	3,971,042	3,813,943	6,998,700	146,798,504
Depreciable assets.....	27,579,102	31,788,392	21,274,363	19,275,663	32,831,121	232,285,313
Less: Accumulated depreciation.....	14,862,383	15,866,636	10,239,378	8,509,568	13,525,175	87,707,938
Other capital assets less reserves.....	2,842,535	4,203,567	3,173,724	3,229,309	7,137,542	50,712,444
Total liabilities.....	81,765,720	91,283,617	60,064,294	54,393,288	86,555,430	867,679,390
Accounts and notes payable.....	38,438,227	39,606,499	22,929,232	19,127,906	26,664,377	273,509,489
Other current liabilities.....	5,456,975	7,144,856	5,126,773	4,862,630	8,315,348	134,910,188
Mortgages, notes, and bonds payable in one year or more.....	10,368,566	13,195,305	10,222,185	10,860,332	18,344,583	167,904,398
Net worth.....	22,812,614	25,602,171	18,136,649	18,195,780	28,305,745	196,764,639
Total receipts.....	272,625,709	275,399,070	164,739,293	135,794,352	203,410,540	1,202,176,749
Business receipts.....	268,364,554	269,878,682	161,647,008	133,019,959	198,991,385	1,151,187,680
Total deductions.....	269,649,936	270,141,477	162,797,183	134,125,670	200,741,944	1,183,664,029
Cost of sales and operations.....	219,959,214	217,495,143	130,200,697	105,549,508	155,753,495	876,448,773
Taxes paid.....	3,376,279	3,683,984	2,259,109	1,853,846	2,808,558	16,612,431
Interest paid.....	2,146,616	2,452,806	1,607,530	1,547,307	2,567,626	30,105,125
Depreciation.....	2,175,370	2,632,879	1,812,820	1,570,208	2,715,848	22,270,761
Pension, profit-sharing, stock bonus, and annuity plans.....	441,982	448,284	300,072	247,979	392,187	3,018,899
Employee benefit programs.....	1,337,949	1,482,441	983,023	906,209	1,560,098	9,848,281
Net income (less deficit).....	2,953,667	5,246,261	1,950,426	1,715,959	2,717,538	19,277,085
Income subject to tax.....	1,561,332	2,205,467	1,811,806	1,809,168	3,150,929	25,702,283
Income tax, total.....	529,948	799,305	635,639	635,775	1,108,415	9,075,520
Alternative minimum tax.....	12,619	48,415	21,809	19,323	28,789	272,087
Environmental tax.....	91	2,159	1,363	1,982	4,054	38,006
Foreign tax credit.....	*1,223	4,418	25,452	18,325	23,663	1,169,195
U.S. possessions tax credit.....	1,678	340	1,629	-	2,743	22,888
Orphan drug credit.....	-	-	-	-	-	-
Nonconventional source fuel credit.....	*25	*56	*19	4	51	906
General business credit.....	7,077	8,174	12,519	12,058	17,727	165,533
Prior year minimum tax credit.....	7,135	9,886	10,728	5,853	12,290	106,484
Total income tax after credits.....	512,810	776,432	585,292	599,534	1,051,940	7,610,514
Finance, Insurance, and Real Estate						
Number of returns.....	7,933	6,986	5,185	4,566	4,008	3,926
Total assets.....	55,278,060	113,815,107	186,219,667	324,081,748	628,761,178	9,979,439,624
Notes and accounts receivable, net.....	23,966,380	23,966,380	52,587,223	92,664,191	147,552,842	2,145,002,158
Inventories.....	1,786,943	2,037,237	1,420,367	1,469,111	2,906,713	12,285,247
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	11,371,845	29,595,944	56,814,818	101,424,697	184,408,523	2,671,702,302
Other investments and loans.....	13,884,352	31,201,881	53,310,448	103,374,422	253,752,260	4,378,824,883
Depreciable assets.....	19,524,128	23,083,034	18,439,793	18,032,259	29,231,162	196,771,159
Less: Accumulated depreciation.....	5,856,634	6,877,366	5,506,171	5,544,632	8,758,293	67,358,245
Other capital assets less reserves.....	6,606,913	7,253,009	5,248,569	5,659,887	7,253,635	47,186,818
Total liabilities.....	55,278,060	113,815,107	186,219,667	324,081,748	628,761,178	9,979,439,624
Accounts and notes payable.....	8,499,614	22,792,655	37,468,303	69,688,260	107,945,676	1,111,529,472
Other current liabilities.....	5,881,398	26,238,185	68,560,463	129,059,679	238,055,651	3,831,039,278
Mortgages, notes, and bonds payable in one year or more.....	17,502,474	22,325,579	16,842,058	17,859,955	32,106,064	631,021,044
Net worth.....	14,427,947	29,246,846	50,512,248	89,133,772	219,212,127	2,512,377,380
Total receipts.....	17,878,116	26,764,712	29,574,800	43,094,330	85,704,495	1,524,730,720
Business receipts.....	13,429,457	18,166,808	15,616,602	18,853,969	40,073,781	776,258,424
Total deductions.....	18,121,866	27,054,260	27,888,376	37,816,843	74,322,324	1,369,433,017
Cost of sales and operations.....	5,516,357	7,141,275	6,801,170	8,881,870	23,574,787	497,319,774
Taxes paid.....	818,104	969,086	996,167	1,045,852	1,850,126	24,266,873
Interest paid.....	1,393,180	3,208,729	5,186,531	9,002,150	15,938,363	251,313,411
Depreciation.....	581,134	792,525	765,186	817,190	1,526,992	25,698,677
Pension, profit-sharing, stock bonus, and annuity plans.....	79,146	103,761	103,277	189,574	341,137	5,358,470
Employee benefit programs.....	276,125	261,978	291,106	583,854	1,234,944	11,813,824
Net income (less deficit).....	-336,392	-541,624	1,149,074	4,123,408	8,602,910	131,258,003
Income subject to tax.....	756,805	1,373,852	2,131,383	3,860,668	6,085,063	81,140,971
Income tax, total.....	264,355	469,494	738,117	1,339,714	2,143,961	28,572,828
Alternative minimum tax.....	11,139	18,101	22,130	31,724	73,419	910,967
Environmental tax.....	222	416	760	1,836	4,480	119,770
Foreign tax credit.....	5,886	582	12,782	31,824	24,106	3,061,945
U.S. possessions tax credit.....	-	680	2,480	353	2,788	16,012
Orphan drug credit.....	-	-	-	-	-	-
Nonconventional source fuel credit.....	*100	*548	(*)	183	80	17,180
General business credit.....	*1,446	2,402	2,361	4,947	9,149	177,467
Prior year minimum tax credit.....	2,859	4,993	9,452	20,413	40,181	1,031,673
Total income tax after credits.....	254,064	460,289	711,041	1,281,996	2,087,659	24,268,551

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 4--Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division, by Size of Total Assets--Continued

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

Industrial division and item	Total returns of active corporations	Size of total assets					
		Zero assets	\$1 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$5,000,000
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Services							
Number of returns.....	1,100,449	78,738	729,680	144,530	67,303	37,870	33,937
Total assets.....	661,597,099	-	19,268,348	22,487,977	23,501,194	26,674,166	69,193,597
Notes and accounts receivable, net.....	105,501,541	-	1,823,131	3,045,538	3,668,822	4,677,379	14,711,448
Inventories.....	21,825,238	-	931,297	1,166,912	1,345,613	1,390,279	3,156,367
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	100,542,406	-	5,741,071	5,653,761	5,174,368	5,461,076	11,306,539
Other investments and loans.....	144,045,912	-	2,188,480	3,105,836	2,741,847	2,867,616	6,796,985
Depreciable assets.....	341,257,909	-	25,041,121	19,444,288	19,059,303	20,351,508	47,926,118
Less: Accumulated depreciation.....	156,272,021	-	17,958,471	12,091,877	11,031,156	11,275,888	23,127,527
Other capital assets less reserves.....	59,345,309	-	693,212	1,083,427	1,564,733	2,042,721	5,612,740
Total liabilities.....	661,597,099	-	19,268,348	22,487,977	23,501,194	26,674,166	69,193,597
Accounts and notes payable.....	111,753,806	-	4,389,954	3,571,971	4,387,810	5,197,332	16,064,455
Other current liabilities.....	82,532,339	-	2,575,585	2,075,099	2,313,200	2,727,189	8,328,039
Mortgages, notes, and bonds payable in one year or more.....	177,398,197	-	3,846,030	4,888,849	5,830,956	7,065,143	20,193,921
Net worth.....	196,588,366	-	-1,338,370	5,674,315	6,682,021	7,441,249	14,244,651
Total receipts.....	869,533,422	13,849,214	130,799,967	68,471,175	58,045,553	56,179,880	126,731,376
Business receipts.....	816,783,759	12,237,026	127,814,033	67,156,747	56,387,856	54,323,098	121,172,376
Total deductions.....	851,122,645	13,914,355	128,231,551	66,827,989	56,796,067	55,939,024	124,583,191
Cost of sales and operations.....	296,026,593	5,146,912	32,221,106	19,940,138	18,942,201	19,984,148	48,333,841
Taxes paid.....	30,748,570	362,845	4,938,933	2,762,102	2,156,823	2,409,067	5,069,874
Interest paid.....	23,050,166	352,472	837,935	678,061	782,473	928,308	2,486,368
Depreciation.....	35,004,687	389,981	2,260,351	1,713,083	1,560,492	1,709,345	4,053,039
Pension, profit-sharing, stock bonus, and annuity plans.....	5,490,918	27,782	1,004,351	525,362	388,766	445,209	690,003
Employee benefit programs.....	13,815,532	99,175	1,490,061	679,485	733,421	722,218	1,844,529
Net income (less deficit).....	18,525,343	-67,955	2,564,466	1,638,540	1,245,542	236,919	2,126,110
Income subject to tax.....	18,051,952	173,508	655,058	698,612	597,393	761,468	1,575,554
Income tax, total.....	9,920,338	65,719	114,936	123,011	113,437	189,852	498,198
Alternative minimum tax.....	206,278	10,775	*811	9	*1,103	3,666	17,822
Environmental tax.....	18,710	632	21	-	-	1	57
Foreign tax credit.....	554,954	285	*783	*266	1	*189	*2,435
U.S. possessions tax credit.....	11,230	-	316	54	-	55	826
Orphan drug credit.....	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	*240	-	*87	-	-	-	-
General business credit.....	107,075	*1,119	*247	*1,813	4,718	2,745	12,931
Prior year minimum tax credit.....	99,545	*152	*833	-	*530	*1,436	5,143
Total income tax after credits.....	5,147,294	64,163	112,670	120,878	108,187	185,428	476,862
Nature of Business Not Allocable							
Number of returns.....	19,864	6,110	10,102	2,486	*559	*341	222
Total assets.....	1,971,824	-	120,968	396,261	*194,409	*233,636	559,261
Notes and accounts receivable, net.....	165,878	-	*18,883	*20,982	*36,613	*51,485	*32,869
Inventories.....	214,486	-	*6,653	*81,221	*7,153	*61,129	*55,914
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	401,535	-	52,826	70,464	*25,559	*26,815	104,696
Other investments and loans.....	311,997	-	*5,827	*71,907	*3,528	*27,503	*20,657
Depreciable assets.....	751,629	-	*63,171	147,711	*140,133	*82,045	202,023
Less: Accumulated depreciation.....	266,557	-	*45,558	54,847	*53,788	*27,527	65,854
Other capital assets less reserves.....	163,605	-	*1,135	*41,187	*9,389	*8,531	*101,306
Total liabilities.....	1,971,824	-	120,968	396,261	*194,409	*233,636	559,261
Accounts and notes payable.....	660,102	-	*21,080	*143,292	*7,963	*267,922	217,713
Other current liabilities.....	230,100	-	*3,350	*70,092	*1,024	*27,180	*17,861
Mortgages, notes, and bonds payable in one year or more.....	502,179	-	*23,781	*175,821	*94,216	*33,223	*102,434
Net worth.....	87,927	-	35,504	-97,151	*68,217	*-104,726	47,108
Total receipts.....	2,523,472	299,409	481,843	314,977	*391,604	*644,988	316,567
Business receipts.....	2,359,756	*259,435	462,460	307,522	*375,585	*629,335	*283,354
Total deductions.....	2,610,825	304,319	514,963	358,869	*390,717	*632,242	343,303
Cost of sales and operations.....	1,412,600	*82,111	219,180	*149,039	*295,158	*484,454	*159,691
Taxes paid.....	55,531	6,015	12,824	8,427	*7,214	*7,957	12,179
Interest paid.....	59,667	*4,382	*2,912	*13,938	*8,618	*5,339	15,467
Depreciation.....	54,526	*1,838	*5,319	*8,812	*9,682	*6,329	13,149
Pension, profit-sharing, stock bonus, and annuity plans.....	*15,052	-	*1,712	*7,436	-	*4,732	*1,076
Employee benefit programs.....	15,334	-	*2,885	*2,039	*1,405	*2,164	*6,712
Net income (less deficit).....	-87,419	-4,910	-33,120	-43,959	*887	*12,747	-26,736
Income subject to tax.....	21,818	*6,540	*6,681	*2,408	*4,437	-	*816
Income tax, total.....	3,229	*685	*1,002	*361	*666	-	*122
Alternative minimum tax.....	*74	-	-	-	-	-	-
Environmental tax.....	-	-	-	-	-	-	-
Foreign tax credit.....	-	-	-	-	-	-	-
U.S. possessions tax credit.....	318	-	-	-	-	-	-
Orphan drug credit.....	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	-	-	-	-	-	-	-
General business credit.....	-	-	-	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-	-
Total income tax after credits.....	2,911	*685	*1,002	*361	*666	-	*122

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 4--Selected Balance Sheet, Income Statement, and Tax Items, by Industrial Division, by Size of Total Assets--Continued

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

Industrial division and item	Size of total assets--Continued					
	\$5,000,000 under \$10,000,000	\$10,000,000 under \$25,000,000	\$25,000,000 under \$50,000,000	\$50,000,000 under \$100,000,000	\$100,000,000 under \$250,000,000	\$250,000,000 or more
	(8)	(9)	(10)	(11)	(12)	(13)
Services						
Number of returns.....	4,109	2,408	838	463	322	250
Total assets.....	28,548,998	37,050,667	30,285,499	33,073,644	50,758,064	320,754,946
Notes and accounts receivable, net.....	6,086,831	8,063,315	5,895,108	5,982,513	9,208,721	42,338,735
Inventories.....	985,723	1,300,761	1,136,377	1,243,638	1,481,042	7,687,229
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	5,130,203	6,535,199	5,550,081	5,929,129	7,544,705	36,516,276
Other investments and loans.....	3,070,180	4,281,898	4,022,961	4,584,291	7,398,113	103,007,706
Depreciable assets.....	18,517,910	20,745,353	15,584,437	16,223,638	25,049,660	113,314,572
Less: Accumulated depreciation.....	8,299,573	8,868,616	6,716,730	6,437,750	10,082,711	40,381,723
Other capital assets less reserves.....	2,123,713	3,274,042	3,153,421	3,627,325	5,915,663	30,254,311
Total liabilities.....	28,548,998	37,050,667	30,285,499	33,073,644	50,758,064	320,754,946
Accounts and notes payable.....	6,861,810	8,635,738	6,696,897	5,951,362	8,661,941	41,334,538
Other current liabilities.....	3,741,074	4,763,974	4,681,611	4,339,711	5,540,077	41,446,781
Mortgages, notes, and bonds payable in one year or more.....	8,507,374	10,133,571	7,881,950	9,263,367	18,228,497	81,558,541
Net worth.....	6,363,040	8,828,624	7,934,864	10,424,574	11,058,707	119,276,691
Total receipts.....	38,597,426	49,240,214	37,628,657	32,425,341	48,623,776	208,940,843
Business receipts.....	36,556,835	46,549,028	35,004,818	29,558,568	44,123,078	185,900,298
Total deductions.....	37,854,689	48,727,337	37,512,698	31,808,174	47,553,734	201,373,835
Cost of sales and operations.....	13,694,845	21,092,704	12,972,612	12,218,257	18,228,207	73,251,622
Taxes paid.....	1,371,091	1,674,309	1,222,429	1,050,807	1,471,785	6,260,506
Interest paid.....	987,221	1,251,875	1,059,198	1,081,521	1,796,442	10,808,292
Depreciation.....	1,634,932	1,916,827	1,431,768	1,605,540	2,251,892	14,477,437
Pension, profit-sharing, stock bonus, and annuity plans.....	235,339	219,834	155,248	148,085	194,657	1,456,282
Employee benefit programs.....	698,387	1,115,965	940,845	621,719	1,178,132	3,691,595
Net income (less deficit).....	737,086	499,952	107,705	601,651	1,087,123	7,748,205
Income subject to tax.....	704,410	992,066	871,018	881,821	1,514,280	8,626,765
Income tax, total.....	242,818	354,356	307,028	318,563	543,274	3,049,146
Alternative minimum tax.....	7,449	16,882	10,022	17,641	23,432	96,667
Environmental tax.....	185	532	754	1,062	2,033	13,432
Foreign tax credit.....	*4,307	18,286	6,786	17,203	41,931	462,482
U.S. possessions tax credit.....	820	1,394	5,920	1,845	-	-
Orphan drug credit.....	-	-	-	-	-	-
Nonconventional source fuel credit.....	-	-	-	153	-	-
General business credit.....	5,464	8,086	3,253	10,596	16,588	39,516
Prior year minimum tax credit.....	1,481	8,225	2,887	5,469	5,508	67,881
Total income tax after credits.....	230,747	318,365	288,182	283,298	479,247	2,479,266
Nature of Business Not Allocable						
Number of returns.....	*33	*11	**	-	-	-
Total assets.....	*247,992	*219,297	**	-	-	-
Notes and accounts receivable, net.....	*3,396	1,650	-	-	-	-
Inventories.....	-	2,415	-	-	-	-
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	*26,137	*95,039	-	-	-	-
Other investments and loans.....	*89,275	*93,299	-	-	-	-
Depreciable assets.....	*105,085	11,459	-	-	-	-
Less: Accumulated depreciation.....	*13,683	5,300	-	-	-	-
Other capital assets less reserves.....	*996	*1,060	-	-	-	-
Total liabilities.....	*247,992	*219,297	**	-	-	-
Accounts and notes payable.....	*920	*1,212	-	-	-	-
Other current liabilities.....	*96,819	*13,775	**	-	-	-
Mortgages, notes, and bonds payable in one year or more.....	*72,702	-	-	-	-	-
Net worth.....	*-19,153	*160,126	-	-	-	-
Total receipts.....	*42,739	*31,346	**	-	-	-
Business receipts.....	*29,602	12,462	-	-	-	-
Total deductions.....	*43,723	*22,690	**	-	-	-
Cost of sales and operations.....	*14,138	8,829	-	-	-	-
Taxes paid.....	*661	255	-	-	-	-
Interest paid.....	*6,738	*2,272	-	-	-	-
Depreciation.....	*8,571	826	-	-	-	-
Pension, profit-sharing, stock bonus, and annuity plans.....	-	97	-	-	-	-
Employee benefit programs.....	-	129	-	-	-	-
Net income (less deficit).....	*-984	*8,656	**	-	-	-
Income subject to tax.....	-	936	-	-	-	-
Income tax, total.....	*74	318	-	-	-	-
Alternative minimum tax.....	*74	-	-	-	-	-
Environmental tax.....	-	-	-	-	-	-
Foreign tax credit.....	-	-	-	-	-	-
U.S. possessions tax credit.....	-	318	-	-	-	-
Orphan drug credit.....	-	-	-	-	-	-
Nonconventional source fuel credit.....	-	-	-	-	-	-
General business credit.....	-	-	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-
Total income tax after credits.....	*74	-	-	-	-	-

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

** Data were deleted to avoid disclosure of information for specific corporations and combined with data in another size class.

* Less than \$500 per return.

NOTE: Detail may not add to total because of rounding and the deletion of data. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 5—Selected Balance Sheet, Income Statement and Tax Items by Industrial Division, by Size of Business Receipts

(All figures are estimates based on samples—money amounts are in thousands of dollars and size of business receipts is in whole dollars)

Industrial division and item	Total returns of active corporations	Size of business receipts					
		Under \$100,000 ²	Under \$25,000 ²	\$25,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000
		(1)	(2)	(3)	(4)	(5)	(6)
All Industries							
Number of returns.....	3,869,023	1,568,011	935,739	256,497	375,775	682,930	532,946
Total assets.....	20,002,093,972	260,612,084	192,762,170	26,943,970	40,905,944	93,174,138	123,032,404
Notes and accounts receivable, net.....	4,050,283,141	15,528,172	10,955,899	1,792,097	2,780,176	8,031,563	12,875,678
Inventories.....	915,412,953	8,097,077	4,714,811	989,162	2,393,104	7,887,874	12,719,258
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	3,954,235,529	42,625,743	30,136,073	4,720,582	7,769,078	17,820,512	24,902,285
Other investments and loans.....	6,624,656,889	64,660,818	46,008,523	8,415,090	10,237,204	18,119,569	25,865,394
Depreciable assets.....	4,755,145,257	112,526,418	78,230,261	11,989,161	22,306,995	58,421,108	72,993,253
Less: Accumulated depreciation.....	2,131,890,499	46,205,436	28,670,961	5,800,561	11,733,914	32,521,910	42,025,626
Other capital assets less reserves.....	696,031,393	36,525,113	27,601,921	3,573,430	5,349,762	10,910,640	10,881,974
Total liabilities.....	20,002,093,972	260,612,084	192,762,170	26,943,970	40,905,944	93,174,138	123,032,404
Accounts and notes payable.....	3,164,829,340	37,882,130	28,803,686	3,539,596	5,538,848	14,010,782	23,447,526
Other current liabilities.....	5,215,873,641	19,323,705	16,268,353	1,070,067	1,985,285	6,056,604	8,340,497
Mortgages, notes, and bonds payable in one year or more.....	2,742,496,304	80,741,561	63,228,516	5,426,102	12,086,943	25,025,616	29,793,862
Net worth.....	5,700,354,747	32,191,630	12,900,854	8,823,383	10,467,393	23,245,471	39,025,078
Total receipts.....	11,742,134,729	61,297,902	21,842,791	10,535,375	28,919,736	116,986,365	195,516,704
Business receipts.....	10,360,428,794	39,749,950	4,625,956	8,652,208	26,471,788	111,227,841	188,132,794
Total deductions.....	11,329,910,609	70,767,490	30,005,463	11,364,859	29,397,168	117,068,621	194,273,418
Cost of sales and operations.....	6,771,767,395	11,481,984	1,402,086	2,390,412	7,689,486	39,136,638	78,397,735
Taxes paid.....	273,955,753	3,051,334	1,207,060	539,483	1,304,791	4,706,586	7,266,690
Interest paid.....	597,033,444	3,829,754	2,297,970	484,369	1,047,415	2,883,690	3,581,813
Depreciation.....	346,214,939	3,856,746	1,791,174	696,732	1,368,840	4,151,179	5,696,880
Pension, profit-sharing, stock bonus, and annuity plans.....	56,177,312	209,705	116,265	15,473	77,968	489,501	756,853
Employee benefit programs.....	142,114,225	538,702	263,029	81,175	194,498	815,143	1,522,071
Net income (less deficit).....	401,997,022	-9,547,785	-8,196,079	-850,966	-500,741	-122,174	1,168,692
Income subject to tax.....	377,899,601	2,312,036	1,185,244	412,321	714,471	1,630,082	2,478,468
Income tax, total.....	131,284,690	560,491	363,665	75,130	121,696	304,573	490,438
Alternative minimum tax.....	4,856,262	49,493	46,608	1,098	1,787	6,727	10,264
Environmental tax.....	496,610	2,128	2,061	50	*17	*22	80
Foreign tax credit.....	21,520,683	22,754	21,701	*90	964	258	496
U.S. possessions tax credit.....	3,748,561	1,808	1,779	9	20	5	270
Orphan drug credit.....	17,826	-	-	-	-	-	-
Nonconventional source fuel credit.....	233,331	*828	*675	*153	-	*114	*298
General business credit.....	1,918,100	12,515	11,261	*219	1,034	7,855	6,355
Prior year minimum tax credit.....	2,313,811	5,509	2,791	*2,123	*596	667	1,361
Total income tax after credits.....	101,532,379	517,077	325,458	72,537	119,082	295,674	481,657
Agriculture, Forestry, and Fishing							
Number of returns.....	137,833	66,644	35,229	12,015	19,400	30,435	17,402
Total assets.....	71,760,770	12,798,615	7,261,237	2,217,188	3,320,190	8,053,017	6,877,776
Notes and accounts receivable, net.....	6,632,704	741,550	432,901	126,664	181,984	283,018	216,155
Inventories.....	8,114,409	251,230	167,166	33,634	50,430	350,715	385,187
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	8,012,193	1,514,087	816,350	301,608	398,129	871,169	936,996
Other investments and loans.....	8,495,999	1,755,611	1,192,764	233,831	329,015	1,034,907	640,481
Depreciable assets.....	54,947,670	6,997,859	3,372,111	1,156,848	2,468,900	7,013,998	6,877,429
Less: Accumulated depreciation.....	34,180,160	4,369,467	1,991,741	657,098	1,720,627	4,812,727	4,787,987
Other capital assets less reserves.....	17,102,433	5,315,939	2,973,088	888,125	1,454,727	2,881,715	2,239,191
Total liabilities.....	71,760,770	12,798,615	7,261,237	2,217,188	3,320,190	8,053,017	6,877,776
Accounts and notes payable.....	14,532,119	1,225,681	846,761	61,646	317,274	1,034,997	967,156
Other current liabilities.....	3,228,849	526,004	400,804	22,990	102,211	196,317	166,819
Mortgages, notes, and bonds payable in one year or more.....	16,965,055	2,250,084	1,206,115	472,161	571,809	2,067,881	1,969,855
Net worth.....	25,079,476	5,199,565	2,463,713	1,100,534	1,635,317	2,849,129	2,752,063
Total receipts.....	95,563,041	3,559,071	1,076,226	642,967	1,839,858	5,961,829	6,648,509
Business receipts.....	89,556,975	2,060,729	144,365	454,837	1,461,527	5,194,225	6,108,608
Total deductions.....	94,017,630	3,700,224	1,281,231	681,249	1,737,743	5,861,218	6,564,346
Cost of sales and operations.....	53,057,740	360,747	22,823	74,805	263,118	1,079,835	1,527,000
Taxes paid.....	2,250,457	225,036	94,834	38,496	91,706	234,412	244,645
Interest paid.....	2,453,897	287,596	134,496	51,228	101,873	306,905	277,428
Depreciation.....	3,852,322	409,188	174,411	79,856	154,921	477,801	457,225
Pension, profit-sharing, stock bonus, and annuity plans.....	182,045	*1,064	*829	-	*235	13,630	9,978
Employee benefit programs.....	817,919	31,895	10,119	6,843	14,933	73,774	66,420
Net income (less deficit).....	1,607,297	-149,448	-210,291	-39,892	100,735	97,312	83,380
Income subject to tax.....	2,012,510	245,810	126,349	51,209	68,252	204,768	159,277
Income tax, total.....	563,325	51,575	32,048	8,650	10,877	36,385	27,542
Alternative minimum tax.....	19,344	*3,020	*2,960	*26	*34	*833	*170
Environmental tax.....	1,015	(¹)	(¹)	-	-	-	-
Foreign tax credit.....	42,801	*32	*3	*29	-	(¹)	(¹)
U.S. possessions tax credit.....	3,944	1	-	-	1	-	-
Orphan drug credit.....	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	39	-	-	-	-	-	-
General business credit.....	13,243	*414	*141	-	*272	*2,034	998
Prior year minimum tax credit.....	6,352	-	-	-	-	*41	-
Total income tax after credits.....	496,946	51,129	31,904	8,621	10,604	34,309	26,544

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 5--Selected Balance Sheet, Income Statement and Tax Items by Industrial Division, by Size of Business Receipts--Continued

(All figures are estimates based on samples--money amounts are in thousands of dollars and size of business receipts is in whole dollars)

Industrial division and item	Size of business receipts					
	\$500,000 under \$1,000,000	\$1,000,000 under \$2,500,000	\$2,500,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 or more
	(8)	(9)	(10)	(11)	(12)	(13)
All Industries						
Number of returns.....	422,819	353,769	141,373	81,521	69,747	15,907
Total assets.....	176,561,974	376,437,189	438,066,641	653,147,272	1,881,491,954	15,999,570,317
Notes and accounts receivable, net.....	26,186,031	72,409,497	108,223,102	173,430,996	389,838,249	3,243,759,852
Inventories.....	20,676,997	40,832,889	40,704,875	49,743,498	127,880,565	606,869,919
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	34,833,633	82,874,956	105,856,221	161,854,129	475,110,086	3,008,357,964
Other investments and loans.....	35,068,014	82,724,497	102,274,466	173,270,493	639,825,165	5,482,848,473
Depreciable assets.....	96,396,133	158,492,785	130,809,209	136,812,878	318,996,562	3,669,696,912
Less: Accumulated depreciation.....	54,558,503	89,563,800	72,582,438	73,741,387	155,423,305	1,565,268,095
Other capital assets less reserves.....	12,205,701	19,597,138	14,293,053	18,492,462	47,765,127	525,360,186
Total liabilities.....	176,561,974	376,437,189	438,066,641	653,147,272	1,881,491,954	15,999,570,317
Accounts and notes payable.....	36,982,650	84,754,063	102,696,390	170,015,550	362,914,132	2,332,126,118
Other current liabilities.....	16,535,049	54,041,643	97,282,680	161,599,778	474,248,615	4,378,445,072
Mortgages, notes, and bonds payable in one year or more.....	40,447,540	65,667,405	51,572,771	60,210,834	175,343,598	2,213,693,115
Net worth.....	56,336,180	129,943,049	159,361,067	225,714,612	777,642,366	4,256,895,295
Total receipts.....	305,741,552	563,050,300	499,054,682	577,778,718	1,418,798,259	8,003,910,246
Business receipts.....	295,351,284	541,952,403	474,431,743	539,983,349	1,301,110,450	6,868,488,981
Total deductions.....	303,359,280	556,412,642	489,686,751	563,125,038	1,366,336,209	7,668,881,160
Cost of sales and operations.....	144,802,317	312,773,578	301,573,791	365,277,479	942,162,369	4,576,161,503
Taxes paid.....	10,213,643	16,403,072	12,460,477	12,962,511	26,145,926	180,745,514
Interest paid.....	5,357,691	10,475,265	11,676,003	15,943,985	46,073,443	497,211,801
Depreciation.....	7,388,732	12,287,781	10,052,229	10,590,289	24,276,257	267,914,846
Pension, profit-sharing, stock bonus, and annuity plans.....	1,154,055	2,198,324	2,149,981	2,135,566	4,539,169	42,544,158
Employee benefit programs.....	2,523,827	4,998,113	4,759,934	5,454,787	13,106,550	108,395,096
Net income (less deficit).....	2,203,768	6,074,282	8,338,660	12,854,987	45,218,500	335,808,092
Income subject to tax.....	3,620,507	6,751,763	6,711,574	9,086,360	26,283,687	319,025,123
Income tax, total.....	779,347	1,692,101	2,018,592	2,997,728	9,119,379	113,322,042
Alternative minimum tax.....	19,071	58,818	79,376	85,792	289,998	4,256,722
Environmental tax.....	118	336	484	1,134	14,795	477,513
Foreign tax credit.....	3,150	12,546	21,387	23,713	165,442	21,270,935
U.S. possessions tax credit.....	843	9,932	11,886	39,314	238,815	3,445,688
Orphan drug credit.....	-	-	-	-	-	17,826
Nonconventional source fuel credit.....	*89	*291	*563	*801	4,891	225,456
General business credit.....	11,877	31,743	32,492	38,699	127,735	1,648,829
Prior year minimum tax credit.....	6,288	11,104	32,686	50,510	149,824	2,055,864
Total income tax after credits.....	757,100	1,626,486	1,919,578	2,844,691	8,432,671	84,657,445
Agriculture, Forestry, and Fishing						
Number of returns.....	9,692	7,969	3,464	1,302	782	144
Total assets.....	5,914,923	7,686,787	5,256,254	4,194,802	7,566,394	13,412,203
Notes and accounts receivable, net.....	396,789	589,919	584,192	652,027	1,205,483	1,963,571
Inventories.....	429,980	1,013,834	763,263	734,821	1,252,360	2,933,019
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	696,807	875,664	535,298	437,584	941,379	1,203,209
Other investments and loans.....	702,299	660,348	546,177	315,930	973,265	1,866,982
Depreciable assets.....	5,817,709	7,614,756	4,682,874	3,119,561	4,756,197	8,067,288
Less: Accumulated depreciation.....	3,962,043	4,872,429	2,878,433	1,896,553	2,553,366	4,047,155
Other capital assets less reserves.....	1,588,544	1,552,218	916,057	712,806	814,682	1,081,280
Total liabilities.....	5,914,923	7,686,787	5,256,254	4,194,802	7,566,394	13,412,203
Accounts and notes payable.....	962,402	1,733,926	1,474,786	1,457,952	2,315,985	3,359,235
Other current liabilities.....	156,752	254,478	227,963	213,050	620,948	866,517
Mortgages, notes, and bonds payable in one year or more.....	1,789,663	2,464,879	1,357,208	793,788	1,848,370	2,423,325
Net worth.....	1,766,921	2,246,570	1,380,849	1,313,334	2,186,323	5,384,721
Total receipts.....	7,159,882	13,361,896	11,770,619	8,986,775	15,338,656	22,775,802
Business receipts.....	6,618,603	12,419,148	11,448,810	8,721,444	14,871,901	22,115,508
Total deductions.....	6,989,965	13,118,834	11,635,042	8,752,418	15,205,635	22,189,949
Cost of sales and operations.....	2,336,110	5,938,024	7,384,140	6,016,634	11,363,202	17,052,048
Taxes paid.....	244,626	375,074	250,466	168,749	203,910	303,538
Interest paid.....	213,985	336,491	240,873	142,179	281,909	366,530
Depreciation.....	411,140	600,497	370,122	218,983	365,355	542,012
Pension, profit-sharing, stock bonus, and annuity plans.....	15,662	30,009	13,009	15,130	32,878	50,687
Employee benefit programs.....	45,764	96,866	64,990	82,231	71,855	284,124
Net income (less deficit).....	167,804	239,841	134,038	233,075	135,719	665,596
Income subject to tax.....	141,627	190,611	96,375	118,603	168,551	686,888
Income tax, total.....	34,419	48,111	24,884	38,105	59,241	243,062
Alternative minimum tax.....	*1,676	*1,688	*589	*960	2,575	7,832
Environmental tax.....	*4	*15	*22	*5	77	891
Foreign tax credit.....	-	-	-	-	*3	*42,766
U.S. possessions tax credit.....	-	3,943	-	-	-	-
Orphan drug credit.....	-	-	-	-	-	-
Nonconventional source fuel credit.....	-	-	-	-	-	39
General business credit.....	*38	2,811	*473	*1,109	2,252	3,114
Prior year minimum tax credit.....	*36	*538	*96	*1,247	*1,149	3,244
Total income tax after credits.....	34,344	40,819	24,315	35,749	55,836	193,900

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 5--Selected Balance Sheet, Income Statement and Tax Items by Industrial Division, by Size of Business Receipts--Continued

(All figures are estimates based on samples--money amounts are in thousands of dollars and size of business receipts is in whole dollars)

Industrial division and item	Total returns of active corporations	Size of business receipts					
		Under \$100,000 ²	Under \$25,000 ²	\$25,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Mining							
Number of returns.....	36,660	20,549	15,272	2,573	2,703	5,115	3,766
Total assets.....	218,211,769	7,915,266	3,794,778	3,493,203	627,285	1,835,773	2,037,270
Notes and accounts receivable, net.....	19,097,388	580,888	478,340	34,301	*68,248	159,252	341,754
Inventories.....	6,454,160	46,075	41,067	*4,967	*41	*41,935	22,247
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	17,974,273	1,218,072	817,077	320,948	80,047	406,993	449,875
Other investments and loans.....	81,229,720	4,260,195	1,048,147	2,982,295	*229,752	559,981	398,002
Depreciable assets.....	110,023,420	1,365,970	758,959	233,615	373,396	770,031	1,360,177
Less: Accumulated depreciation.....	54,699,823	886,826	419,001	174,168	293,657	525,131	931,425
Other capital assets less reserves.....	31,145,155	1,003,098	794,882	81,908	126,306	371,821	278,600
Total liabilities.....	218,211,769	7,915,266	3,794,778	3,493,203	627,285	1,835,773	2,037,270
Accounts and notes payable.....	24,656,450	3,401,724	3,030,942	213,112	157,670	203,995	445,232
Other current liabilities.....	10,615,838	554,837	484,972	55,545	*14,319	74,554	176,907
Mortgages, notes, and bonds payable in one year or more.....	49,702,581	1,453,931	1,262,375	*87,720	*103,836	463,753	816,786
Net worth.....	106,082,663	739,179	-2,432,985	2,874,910	297,254	284,126	221,531
Total receipts.....	112,830,722	1,130,033	658,156	225,448	246,430	981,504	1,444,836
Business receipts.....	102,467,999	352,749	72,646	101,319	178,784	810,223	1,241,909
Total deductions.....	110,301,522	1,396,950	931,906	237,681	227,364	1,027,888	1,642,045
Cost of sales and operations.....	67,184,989	79,426	28,312	20,615	30,499	207,180	414,299
Taxes paid.....	3,307,067	53,064	27,258	10,169	15,637	46,689	67,246
Interest paid.....	5,153,228	77,636	55,265	15,712	6,659	37,907	70,767
Depreciation.....	5,970,320	56,098	30,790	11,653	13,656	85,789	102,791
Pension, profit-sharing, stock bonus, and annuity plans.....	477,417	*10,150	*9,849	*301	-	*5,028	*7,166
Employee benefit programs.....	1,516,832	9,377	5,527	*286	*3,564	11,745	8,816
Net income (less deficit).....	2,706,769	-270,467	-276,531	-12,994	19,057	-46,550	-198,592
Income subject to tax.....	4,268,855	107,172	54,929	*47,669	*4,574	*15,178	28,237
Income tax, total.....	1,657,953	30,246	15,529	*13,847	*870	*4,991	6,123
Alternative minimum tax.....	222,172	*2,313	*2,283	*24	*6	*1,643	*1,435
Environmental tax.....	7,355	*72	*22	50	-	*15	(¹)
Foreign tax credit.....	599,700	*21	-	*15	*6	-	-
U.S. possessions tax credit.....	-	-	-	-	-	-	-
Orphan drug credit.....	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	20,042	*675	*675	-	-	-	-
General business credit.....	21,221	*14	-	-	*14	-	-
Prior year minimum tax credit.....	47,459	1,997	-	1,997	-	*31	-
Total income tax after credits.....	969,531	27,539	14,854	*11,835	*850	*4,961	6,123
Construction							
Number of returns.....	407,881	109,224	55,942	19,390	33,892	91,381	68,243
Total assets.....	231,050,110	10,283,538	7,804,531	999,445	1,479,563	6,063,482	8,988,306
Notes and accounts receivable, net.....	63,366,013	926,985	659,830	118,051	149,104	748,324	1,472,280
Inventories.....	27,818,870	1,313,474	1,033,061	84,547	195,867	1,054,440	1,191,538
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	52,243,779	2,370,860	1,739,315	314,768	316,777	1,327,413	2,346,173
Other investments and loans.....	36,215,734	2,524,574	2,092,741	146,995	284,838	792,427	1,076,254
Depreciable assets.....	98,692,505	3,735,517	1,874,985	647,565	1,212,967	4,590,071	6,969,513
Less: Accumulated depreciation.....	62,113,208	2,206,333	942,604	418,713	845,015	3,017,491	4,761,211
Other capital assets less reserves.....	8,431,702	1,051,346	838,859	85,674	126,814	369,860	456,560
Total liabilities.....	231,050,110	10,283,538	7,804,531	999,445	1,479,563	6,063,482	8,988,306
Accounts and notes payable.....	70,540,435	2,058,094	1,332,229	222,830	503,036	1,589,709	2,651,273
Other current liabilities.....	30,332,779	722,143	531,954	70,506	119,683	608,215	1,002,043
Mortgages, notes, and bonds payable in one year or more.....	34,747,506	2,435,879	1,911,639	218,170	306,070	1,194,850	1,913,490
Net worth.....	71,556,252	2,201,431	1,838,454	157,389	205,588	1,222,936	2,176,540
Total receipts.....	499,405,033	4,396,258	966,757	775,775	2,653,726	15,671,978	24,488,190
Business receipts.....	488,401,977	3,619,403	319,704	725,766	2,573,933	15,381,906	24,168,652
Total deductions.....	493,857,790	4,688,327	1,238,904	798,979	2,650,444	15,625,284	24,198,707
Cost of sales and operations.....	376,299,025	1,681,139	160,027	308,380	1,212,731	8,273,632	14,370,788
Taxes paid.....	10,782,787	196,322	58,554	31,503	106,265	556,816	852,255
Interest paid.....	5,413,320	192,442	113,639	26,577	52,227	208,529	275,335
Depreciation.....	8,200,586	210,747	77,377	59,686	73,685	409,602	661,473
Pension, profit-sharing, stock bonus, and annuity plans.....	2,240,978	11,298	7,168	*1,944	*2,186	36,889	48,228
Employee benefit programs.....	4,306,270	40,851	13,908	*4,610	22,333	124,480	244,943
Net income (less deficit).....	5,505,062	-302,865	-282,494	-23,496	3,124	46,134	288,840
Income subject to tax.....	5,268,233	138,866	55,536	*25,210	56,119	108,892	250,756
Income tax, total.....	1,550,717	27,349	13,625	*5,210	8,514	18,241	39,492
Alternative minimum tax.....	79,843	*485	*485	-	-	*225	*88
Environmental tax.....	2,333	*3	*3	-	-	-	-
Foreign tax credit.....	88,527	*102	*97	-	*4	-	4
U.S. possessions tax credit.....	2,596	-	-	-	-	-	-
Orphan drug credit.....	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	*397	-	-	-	-	-	-
General business credit.....	27,299	*392	*239	-	*153	*1,706	*137
Prior year minimum tax credit.....	55,350	*331	*331	-	-	*69	-
Total income tax after credits.....	1,376,546	26,524	12,957	*5,210	8,357	16,467	39,351

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 5—Selected Balance Sheet, Income Statement and Tax Items by Industrial Division, by Size of Business Receipts—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars and size of business receipts is in whole dollars)

Industrial division and item	Size of business receipts					
	\$500,000 under \$1,000,000	\$1,000,000 under \$2,500,000	\$2,500,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 or more
	(8)	(9)	(10)	(11)	(12)	(13)
Mining						
Number of returns.....	2,516	2,510	953	513	550	189
Total assets.....	2,100,444	4,809,798	4,583,787	5,224,536	16,396,322	173,308,573
Notes and accounts receivable, net.....	274,787	779,972	592,151	788,137	2,210,808	13,389,637
Inventories.....	56,812	142,130	105,785	141,395	684,540	5,213,441
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	490,134	1,058,753	736,643	703,454	2,082,518	10,827,831
Other investments and loans.....	410,471	779,608	889,601	886,567	1,799,708	71,245,587
Depreciable assets.....	1,894,898	3,145,050	2,862,276	3,038,080	9,733,403	85,853,536
Less: Accumulated depreciation.....	1,469,241	2,162,386	1,887,653	1,720,071	5,477,854	39,639,237
Other capital assets less reserves.....	390,034	933,954	1,066,895	1,215,591	4,696,634	21,188,530
Total liabilities.....	2,100,444	4,809,798	4,583,787	5,224,536	16,396,322	173,308,573
Accounts and notes payable.....	335,427	1,023,349	821,302	984,905	2,508,431	14,932,085
Other current liabilities.....	159,678	386,815	331,465	272,240	896,068	7,763,274
Mortgages, notes, and bonds payable in one year or more.....	358,413	828,263	750,335	1,308,009	3,435,103	40,289,988
Net worth.....	924,878	2,109,490	2,135,283	1,923,709	8,066,106	89,678,362
Total receipts.....	2,135,029	4,395,988	3,703,382	3,865,466	12,195,062	82,979,423
Business receipts.....	1,965,367	3,955,636	3,250,547	3,573,568	11,176,021	76,141,979
Total deductions.....	2,094,070	4,246,252	3,670,865	3,914,541	11,847,680	80,461,231
Cost of sales and operations.....	691,938	1,532,714	1,577,472	1,817,750	6,429,877	54,434,333
Taxes paid.....	109,535	166,385	198,128	126,104	438,043	2,101,874
Interest paid.....	50,222	110,501	99,216	142,308	456,402	4,108,269
Depreciation.....	104,062	214,965	204,905	235,884	766,180	4,199,647
Pension, profit-sharing, stock bonus, and annuity plans.....	*1,260	14,842	19,726	17,933	42,550	358,763
Employee benefit programs.....	20,169	65,391	67,724	86,071	176,960	1,070,579
Net income (less deficit).....	37,727	146,220	29,475	-51,365	341,414	2,718,905
Income subject to tax.....	18,004	72,958	75,894	50,064	301,255	3,600,096
Income tax, total.....	4,899	27,065	29,544	20,338	133,038	1,401,709
Alternative minimum tax.....	*430	7,567	4,958	3,207	30,861	169,757
Environmental tax.....	*4	*7	*32	*59	499	6,667
Foreign tax credit.....	-	-	-	*1,632	5,691	592,356
U.S. possessions tax credit.....	-	-	-	-	-	-
Orphan drug credit.....	-	-	-	-	-	-
Nonconventional source fuel credit.....	*5	*246	-	*457	2,887	15,773
General business credit.....	*335	*195	*830	-	4,457	15,391
Prior year minimum tax credit.....	*87	*128	*1,783	*358	2,424	40,653
Total income tax after credits.....	4,472	26,497	26,932	17,892	117,580	737,536
Construction						
Number of returns.....	57,957	49,441	16,373	9,013	5,658	591
Total assets.....	15,012,089	27,421,107	21,979,619	24,631,766	44,999,805	71,670,398
Notes and accounts receivable, net.....	3,230,278	7,157,707	7,094,344	8,603,418	16,825,232	17,307,446
Inventories.....	2,190,322	4,994,628	3,030,184	3,350,217	4,591,447	6,102,617
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	3,614,139	6,559,119	5,535,450	6,356,635	11,345,657	12,788,334
Other investments and loans.....	1,392,016	1,909,571	1,399,164	1,773,987	4,103,699	21,244,042
Depreciable assets.....	9,988,989	15,479,314	11,597,369	9,682,364	16,844,625	19,804,743
Less: Accumulated depreciation.....	6,545,525	10,328,278	7,806,834	6,194,270	10,764,196	10,489,070
Other capital assets less reserves.....	708,438	1,092,496	630,667	646,023	1,204,433	2,271,879
Total liabilities.....	15,012,089	27,421,107	21,979,619	24,631,766	44,999,805	71,670,398
Accounts and notes payable.....	4,390,782	9,155,849	7,355,374	8,536,251	16,645,906	18,157,196
Other current liabilities.....	1,733,660	3,395,600	2,974,247	3,770,552	5,828,322	10,299,998
Mortgages, notes, and bonds payable in one year or more.....	2,551,812	3,695,905	2,382,081	2,124,005	5,643,703	12,805,781
Net worth.....	4,418,541	8,572,088	7,322,560	7,909,368	14,406,417	23,326,371
Total receipts.....	41,181,939	78,198,134	57,215,494	62,789,023	105,518,359	109,945,657
Business receipts.....	40,658,248	77,125,495	56,491,648	61,955,558	103,739,950	105,261,119
Total deductions.....	41,048,231	77,589,916	56,475,955	61,776,952	103,824,292	108,630,125
Cost of sales and operations.....	26,634,445	55,213,800	43,829,250	49,784,195	87,791,202	88,720,573
Taxes paid.....	1,276,141	2,099,188	1,443,240	1,382,243	1,815,806	1,160,776
Interest paid.....	464,025	626,124	489,820	427,749	853,349	1,875,946
Depreciation.....	912,974	1,375,222	983,902	832,230	1,357,758	1,456,678
Pension, profit-sharing, stock bonus, and annuity plans.....	131,942	331,108	324,616	393,751	576,018	387,129
Employee benefit programs.....	408,384	836,202	549,345	540,006	809,460	752,599
Net income (less deficit).....	88,392	602,210	732,408	999,733	1,650,511	1,399,699
Income subject to tax.....	348,280	801,511	484,187	685,595	975,925	1,476,223
Income tax, total.....	64,091	173,519	134,022	218,080	335,723	540,200
Alternative minimum tax.....	*3,343	6,945	16,674	11,086	10,330	30,667
Environmental tax.....	-	-	*11	*6	203	2,110
Foreign tax credit.....	-	*3	*16	*1,263	*1,440	85,701
U.S. possessions tax credit.....	66	30	-	401	2,099	-
Orphan drug credit.....	-	-	-	-	-	-
Nonconventional source fuel credit.....	-	-	-	*273	*2	122
General business credit.....	*699	3,206	2,945	4,035	2,454	11,726
Prior year minimum tax credit.....	*623	1,050	7,354	13,425	22,846	9,652
Total income tax after credits.....	62,702	169,231	123,708	198,683	306,681	432,999

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 5--Selected Balance Sheet, Income Statement and Tax Items by Industrial Division, by Size of Business Receipts--Continued

(All figures are estimates based on samples--money amounts are in thousands of dollars and size of business receipts is in whole dollars)

Industrial division and item	Total returns of active corporations	Size of business receipts					
		Under \$100,000 ²	Under \$25,000 ²	\$25,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000
		(1)	(2)	(3)	(4)	(5)	(6)
Manufacturing							
Number of returns.....	300,071	78,590	45,943	13,649	18,998	38,324	42,756
Total assets.....	4,113,123,804	11,027,644	8,628,483	852,791	1,546,370	3,965,212	7,402,593
Notes and accounts receivable, net.....	872,779,884	1,119,646	774,536	116,052	229,058	550,865	1,342,397
Inventories.....	371,341,238	605,077	245,946	95,973	263,158	574,296	1,231,624
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	356,919,908	2,727,193	2,329,381	153,003	244,809	837,855	1,510,464
Other investments and loans.....	1,042,381,429	2,491,272	2,151,919	120,222	219,132	365,930	605,589
Depreciable assets.....	1,807,067,491	4,246,082	2,841,023	605,671	799,388	3,253,797	5,963,825
Less: Accumulated depreciation.....	919,685,911	1,743,281	988,863	319,498	434,920	1,979,617	3,978,921
Other capital assets less reserves.....	301,709,631	952,335	722,996	60,120	169,220	243,689	415,864
Total liabilities.....	4,113,123,804	11,027,644	8,628,483	852,791	1,546,370	3,965,212	7,402,593
Accounts and notes payable.....	818,190,145	2,547,078	2,021,492	222,422	303,164	925,398	1,753,252
Other current liabilities.....	355,374,251	1,578,792	1,411,270	63,812	103,710	372,809	548,282
Mortgages, notes, and bonds payable in one year or more.....	871,762,206	2,418,563	1,703,300	221,267	493,996	1,341,627	1,638,828
Net worth.....	1,411,948,242	834,689	1,081,890	-322,229	75,029	140,611	1,983,627
Total receipts.....	3,760,265,837	3,552,464	1,535,931	540,804	1,475,729	6,599,402	15,821,662
Business receipts.....	3,513,707,078	2,157,376	246,952	491,278	1,419,147	6,451,826	15,339,243
Total deductions.....	3,633,844,572	4,997,188	2,564,686	630,813	1,801,689	7,047,945	15,973,376
Cost of sales and operations.....	2,402,877,254	1,134,262	145,797	228,944	759,521	3,009,298	8,118,748
Taxes paid.....	93,580,852	171,253	93,798	15,687	61,769	229,793	561,791
Interest paid.....	127,971,817	208,458	155,462	18,767	34,229	113,234	241,030
Depreciation.....	128,364,195	246,467	134,307	51,980	60,180	240,087	470,819
Pension, profit-sharing, stock bonus, and annuity plans.....	26,275,735	8,618	5,583	*803	*2,232	20,894	51,499
Employee benefit programs.....	62,653,995	37,736	28,335	*2,934	6,466	79,544	189,826
Net income (less deficit).....	143,627,403	-1,446,063	-1,029,714	-90,389	-325,961	-448,543	-353,540
Income subject to tax.....	151,716,109	152,726	124,343	*13,643	*14,741	70,832	175,385
Income tax, total.....	53,369,555	46,888	42,228	*2,449	*2,211	11,888	31,779
Alternative minimum tax.....	1,822,247	2,094	2,094	-	-	-	*656
Environmental tax.....	199,706	139	139	-	-	-	4
Foreign tax credit.....	15,358,288	*2,610	*2,610	-	-	-	-
U.S. possessions tax credit.....	3,618,287	959	959	-	-	-	118
Orphan drug credit.....	17,826	-	-	-	-	-	-
Nonconventional source fuel credit.....	134,312	-	-	-	-	-	-
General business credit.....	943,443	*676	*610	*66	-	*239	*187
Prior year minimum tax credit.....	444,728	68	68	-	-	-	-
Total income tax after credits.....	32,851,672	42,574	37,980	*2,383	*2,211	11,650	31,474
Transportation and Public Utilities							
Number of returns.....	178,284	74,607	43,936	13,077	17,594	28,338	18,211
Total assets.....	1,641,997,827	11,813,429	9,169,769	895,883	1,747,778	3,224,827	4,931,397
Notes and accounts receivable, net.....	165,781,042	1,102,011	787,809	158,525	155,677	328,666	437,723
Inventories.....	29,240,373	99,467	89,726	*1,302	*8,439	68,681	102,160
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	97,968,656	1,832,186	1,499,014	187,551	145,621	584,703	754,845
Other investments and loans.....	250,037,374	2,732,711	2,183,923	42,177	506,611	241,756	449,002
Depreciable assets.....	1,431,273,184	8,254,358	6,319,479	543,817	1,391,062	3,960,646	4,785,793
Less: Accumulated depreciation.....	528,027,400	3,860,407	2,798,513	258,372	803,522	2,271,920	2,346,193
Other capital assets less reserves.....	85,342,829	599,539	434,263	45,336	119,940	158,995	486,833
Total liabilities.....	1,641,997,827	11,813,429	9,169,769	895,883	1,747,778	3,224,827	4,931,397
Accounts and notes payable.....	195,684,916	3,897,972	3,490,605	98,966	308,401	555,538	850,305
Other current liabilities.....	131,497,289	1,064,727	966,646	21,406	76,676	155,907	331,972
Mortgages, notes, and bonds payable in one year or more.....	506,309,738	3,916,991	3,281,222	142,133	493,635	1,217,156	1,756,177
Net worth.....	535,664,915	-1,238,512	-1,777,764	372,055	167,198	825,339	1,047,035
Total receipts.....	997,640,581	4,066,439	2,235,613	508,893	1,321,932	4,682,041	6,873,439
Business receipts.....	941,456,847	1,984,071	261,619	462,745	1,259,706	4,488,788	6,458,116
Total deductions.....	956,469,140	4,483,834	2,572,231	530,482	1,381,121	4,696,309	6,968,419
Cost of sales and operations.....	381,368,495	315,670	75,747	41,593	198,330	927,102	1,359,073
Taxes paid.....	44,290,556	198,605	98,832	29,970	69,803	195,645	305,180
Interest paid.....	56,073,874	284,427	211,261	18,427	54,739	138,523	177,876
Depreciation.....	85,949,931	427,723	252,082	41,409	134,233	388,581	532,051
Pension, profit-sharing, stock bonus, and annuity plans.....	7,320,301	*3,495	*2,711	-	*785	*1,503	*1,185
Employee benefit programs.....	21,402,343	47,329	34,677	*1,384	11,268	47,915	39,099
Net income (less deficit).....	41,789,809	-421,451	-340,673	-21,589	-59,188	-15,660	-96,325
Income subject to tax.....	50,135,337	199,101	181,578	*2,510	15,014	83,796	140,542
Income tax, total.....	17,942,081	65,573	62,402	*376	2,795	13,287	29,381
Alternative minimum tax.....	970,451	*8,042	*8,042	-	-	374	*535
Environmental tax.....	87,873	*112	*112	-	-	-	*4
Foreign tax credit.....	478,522	*365	*365	-	-	-	-
U.S. possessions tax credit.....	58,729	-	-	-	-	-	60
Orphan drug credit.....	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	58,112	-	-	-	-	-	-
General business credit.....	352,638	*452	*452	-	-	*1,292	*1,240
Prior year minimum tax credit.....	366,463	*500	*478	*23	-	-	*86
Total income tax after credits.....	16,627,618	64,256	61,108	*353	2,795	11,994	27,995

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 5--Selected Balance Sheet, Income Statement and Tax Items by Industrial Division, by Size of Business Receipts--Continued

(All figures are estimates based on samples--money amounts are in thousands of dollars and size of business receipts is in whole dollars)

Industrial division and item	Size of business receipts					
	\$500,000 under \$1,000,000	\$1,000,000 under \$2,500,000	\$2,500,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 or more
	(8)	(9)	(10)	(11)	(12)	(13)
Manufacturing						
Number of returns.....	37,786	46,182	22,520	14,409	14,587	4,917
Total assets.....	13,972,830	34,434,790	39,343,811	54,106,666	181,288,006	3,767,582,254
Notes and accounts receivable, net.....	2,910,564	8,234,285	9,618,112	13,377,273	40,710,069	794,916,674
Inventories.....	2,237,649	6,619,601	8,854,698	12,290,623	38,457,131	300,470,538
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	2,658,498	5,589,506	5,914,079	7,294,122	23,035,658	307,352,533
Other investments and loans.....	1,135,747	2,154,880	2,078,938	3,468,157	15,708,692	1,014,372,224
Depreciable assets.....	10,866,308	26,464,755	28,179,861	34,742,655	103,307,634	1,590,042,575
Less: Accumulated depreciation.....	6,835,912	16,834,090	17,485,160	20,336,253	54,912,011	795,580,667
Other capital assets less reserves.....	611,600	1,450,496	1,408,149	2,157,700	9,782,305	284,687,494
Total liabilities.....	13,972,830	34,434,790	39,343,811	54,106,666	181,288,006	3,767,582,254
Accounts and notes payable.....	3,296,307	8,973,774	10,776,559	14,121,337	44,671,832	731,124,607
Other current liabilities.....	1,251,226	2,478,006	3,082,327	4,906,385	16,704,286	324,452,137
Mortgages, notes, and bonds payable in one year or more.....	3,366,765	6,115,741	6,906,067	9,090,974	32,644,112	808,239,528
Net worth.....	3,882,568	13,018,302	15,305,001	21,930,306	75,678,948	1,279,174,190
Total receipts.....	27,520,845	74,118,089	80,987,941	104,637,246	306,759,026	3,140,469,163
Business receipts.....	27,086,208	72,903,980	79,792,834	102,769,639	300,891,696	2,906,314,275
Total deductions.....	27,707,219	73,533,206	80,013,508	101,814,186	296,772,512	3,025,985,432
Cost of sales and operations.....	15,003,463	45,672,332	54,028,259	70,734,342	211,566,131	1,993,610,417
Taxes paid.....	1,057,427	2,372,252	2,174,283	2,596,944	6,476,576	77,940,533
Interest paid.....	430,800	954,478	1,092,063	1,419,250	4,679,568	118,832,937
Depreciation.....	814,629	2,004,143	2,048,495	2,522,886	7,424,803	112,591,866
Pension, profit-sharing, stock bonus, and annuity plans.....	100,888	338,989	414,620	456,290	1,425,019	23,458,919
Employee benefit programs.....	369,621	1,003,334	1,112,765	1,401,645	4,459,282	54,000,243
Net income (less deficit).....	-191,763	584,718	966,469	2,802,149	9,958,445	131,755,530
Income subject to tax.....	317,707	1,008,252	1,206,576	1,739,930	7,022,447	140,022,254
Income tax, total.....	60,106	242,613	354,652	580,049	2,449,878	49,591,702
Alternative minimum tax.....	*1,156	7,206	9,956	16,328	75,830	1,709,022
Environmental tax.....	*28	*39	*13	120	2,987	196,377
Foreign tax credit.....	*203	*245	*185	*271	48,923	15,305,850
U.S. possessions tax credit.....	738	4,962	9,701	30,827	221,452	3,350,509
Orphan drug credit.....	-	-	-	-	-	17,826
Nonconventional source fuel credit.....	-	-	-	-	*1,216	133,096
General business credit.....	2,307	4,858	9,606	13,731	61,414	850,424
Prior year minimum tax credit.....	*78	1,417	2,868	6,048	33,457	400,793
Total income tax after credits.....	56,780	231,110	332,293	529,172	2,083,415	29,533,203
Transportation and Public Utilities						
Number of returns.....	19,094	21,246	8,955	4,154	2,796	882
Total assets.....	6,808,872	16,171,371	14,592,553	16,979,834	43,386,838	1,524,088,705
Notes and accounts receivable, net.....	876,786	2,505,567	2,803,030	2,947,832	7,445,229	147,334,199
Inventories.....	163,101	401,356	390,279	290,588	700,577	27,024,164
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	1,346,508	2,702,975	2,352,661	2,697,445	5,411,652	80,285,679
Other investments and loans.....	813,598	1,620,084	1,429,849	1,608,131	4,181,492	236,960,750
Depreciable assets.....	7,031,475	16,746,931	13,320,111	15,288,721	33,359,476	1,328,525,672
Less: Accumulated depreciation.....	4,220,872	9,888,037	7,679,956	8,456,632	15,730,467	473,572,917
Other capital assets less reserves.....	450,032	1,364,010	1,287,531	2,073,698	6,151,980	72,770,211
Total liabilities.....	6,808,872	16,171,371	14,592,553	16,979,834	43,386,838	1,524,088,705
Accounts and notes payable.....	2,119,417	3,519,075	3,435,757	4,054,750	9,556,798	167,695,301
Other current liabilities.....	1,621,080	1,392,250	944,428	2,417,069	3,858,395	119,711,461
Mortgages, notes, and bonds payable in one year or more.....	2,442,275	6,074,213	4,904,394	6,051,295	15,222,845	464,724,393
Net worth.....	-944,375	2,497,183	3,718,171	2,134,706	9,284,522	518,340,844
Total receipts.....	14,088,972	34,884,768	31,670,335	29,446,519	57,771,310	814,156,757
Business receipts.....	13,760,523	33,968,007	31,018,627	28,362,386	55,298,335	766,117,994
Total deductions.....	14,238,385	34,765,557	31,445,273	29,085,432	56,684,335	774,101,596
Cost of sales and operations.....	5,108,957	15,497,290	14,354,279	10,774,284	28,118,484	304,913,356
Taxes paid.....	584,797	1,148,954	963,006	1,035,354	1,875,499	37,983,516
Interest paid.....	261,150	688,150	563,919	639,374	1,874,381	51,446,073
Depreciation.....	642,221	1,510,315	1,290,807	1,362,356	2,740,882	77,054,993
Pension, profit-sharing, stock bonus, and annuity plans.....	49,756	81,341	67,965	125,118	209,260	6,780,678
Employee benefit programs.....	111,568	397,193	359,174	342,529	903,857	19,153,678
Net income (less deficit).....	-151,731	114,471	220,233	351,983	1,084,203	40,704,087
Income subject to tax.....	213,240	410,079	441,734	526,382	1,299,394	46,821,070
Income tax, total.....	48,631	112,722	141,471	183,706	474,375	16,872,935
Alternative minimum tax.....	*654	8,444	10,698	12,237	33,680	895,788
Environmental tax.....	*1	*88	*29	154	1,181	86,104
Foreign tax credit.....	*71	*4	*5,480	258	*2,374	469,970
U.S. possessions tax credit.....	-	439	-	-	633	57,597
Orphan drug credit.....	-	-	-	-	-	-
Nonconventional source fuel credit.....	-	(1)	-	-	*3	58,109
General business credit.....	*1,704	5,043	2,732	2,847	11,913	325,413
Prior year minimum tax credit.....	*733	*187	2,221	5,009	12,788	344,940
Total income tax after credits.....	46,123	107,049	131,037	175,592	446,663	15,616,907

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 5--Selected Balance Sheet, Income Statement and Tax Items by Industrial Division, by Size of Business Receipts--Continued

(All figures are estimates based on samples--money amounts are in thousands of dollars and size of business receipts is in whole dollars)

Industrial division and item	Total returns of active corporations	Size of business receipts					
		Under \$100,000 ²	Under \$25,000 ²	\$25,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000
		(1)	(2)	(3)	(4)	(5)	(6)
Wholesale and Retail Trade							
Number of returns.....	1,052,713	271,536	136,290	55,733	79,513	180,844	165,991
Total assets.....	1,581,910,771	17,568,310	11,110,457	2,085,597	4,372,255	13,844,968	22,177,078
Notes and accounts receivable, net.....	333,154,648	2,459,245	1,864,848	168,832	425,765	1,342,957	2,711,592
Inventories.....	421,263,752	2,550,076	983,606	405,055	1,161,415	4,208,592	7,329,975
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	225,387,875	3,634,228	2,419,161	467,738	747,329	2,185,351	3,478,499
Other investments and loans.....	190,252,110	3,852,245	3,276,621	220,148	355,475	1,144,330	1,530,576
Depreciable assets.....	512,583,011	5,986,479	2,525,927	1,147,907	2,312,646	7,523,962	12,121,108
Less: Accumulated depreciation.....	240,142,647	2,824,334	1,095,513	555,554	1,173,266	4,287,673	7,084,707
Other capital assets less reserves.....	84,356,209	1,113,305	672,268	134,137	306,900	896,573	1,137,706
Total liabilities.....	1,581,910,771	17,568,310	11,110,457	2,085,597	4,372,255	13,844,968	22,177,078
Accounts and notes payable.....	543,400,812	4,744,103	3,423,430	538,731	781,942	3,024,412	5,332,742
Other current liabilities.....	188,755,214	953,197	643,002	80,403	229,792	883,253	1,484,195
Mortgages, notes, and bonds payable in one year or more.....	283,339,263	4,024,485	2,396,924	450,016	1,177,545	3,065,360	4,852,989
Net worth.....	404,190,513	-132,932	-524,364	-166,811	558,243	1,553,608	4,738,221
Total receipts.....	3,503,944,396	12,430,037	3,748,511	2,498,933	6,182,593	31,255,858	61,186,034
Business receipts.....	3,416,387,593	8,876,529	853,193	2,096,510	5,926,826	30,557,555	60,062,761
Total deductions.....	3,463,379,154	12,621,401	3,171,004	2,844,686	6,605,710	32,085,150	61,536,358
Cost of sales and operations.....	2,618,368,057	4,763,498	544,054	1,061,910	3,157,534	16,563,658	35,099,874
Taxes paid.....	53,253,403	441,595	138,307	101,571	201,717	1,060,861	1,899,769
Interest paid.....	50,510,058	378,089	236,113	44,308	97,668	380,038	674,977
Depreciation.....	45,159,556	385,994	123,893	101,849	160,252	616,838	984,331
Pension, profit-sharing, stock bonus, and annuity plans.....	7,220,636	21,599	5,834	*4,649	11,116	47,844	110,070
Employee benefit programs.....	21,818,532	67,103	18,700	14,281	34,122	101,915	301,837
Net income (less deficit).....	41,343,782	-195,887	574,867	-347,250	-423,504	-832,965	-353,672
Income subject to tax.....	44,854,072	213,811	144,385	13,301	56,124	235,002	536,542
Income tax, total.....	14,844,365	82,506	71,409	2,062	9,036	41,037	91,570
Alternative minimum tax.....	428,635	*26,580	*26,519	*61	-	*176	-
Environmental tax.....	48,072	*1,657	*1,657	-	-	*4	18
Foreign tax credit.....	1,242,782	*6,601	*6,590	-	*11	-	69
U.S. possessions tax credit.....	29,971	-	-	-	-	-	-
Orphan drug credit.....	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	1,489	-	-	-	-	-	-
General business credit.....	248,272	*7,228	*7,228	-	-	*931	*790
Prior year minimum tax credit.....	164,532	*1,706	*1,706	-	-	-	-
Total income tax after credits.....	13,157,318	66,971	55,884	2,062	9,025	40,106	90,710
Finance, Insurance, and Real Estate³							
Number of returns.....	635,268	418,766	294,285	54,346	70,135	81,256	53,982
Total assets.....	11,480,469,997	148,347,308	113,880,643	13,279,772	21,186,892	37,652,156	47,523,635
Notes and accounts receivable, net.....	2,483,804,042	5,005,687	2,980,549	892,811	1,132,327	3,242,759	3,549,496
Inventories.....	29,140,429	2,386,554	1,633,329	282,166	471,040	989,818	1,344,025
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	3,094,784,903	20,594,825	13,588,077	2,442,669	4,564,078	7,766,106	11,157,216
Other investments and loans.....	4,871,686,612	35,553,702	24,691,877	3,870,882	6,990,943	11,281,298	17,998,693
Depreciable assets.....	398,548,440	58,045,626	44,572,471	5,179,518	8,293,638	14,592,814	14,005,579
Less: Accumulated depreciation.....	136,502,772	17,310,784	11,787,707	1,970,392	3,552,685	5,908,513	5,773,397
Other capital assets less reserves.....	108,434,520	23,737,277	19,181,593	2,018,837	2,536,847	4,471,851	4,016,238
Total liabilities.....	11,480,469,997	148,347,308	113,880,643	13,279,772	21,186,892	37,652,156	47,523,635
Accounts and notes payable.....	1,385,410,556	13,708,459	9,943,197	1,563,183	2,202,078	3,968,280	7,645,722
Other current liabilities.....	4,413,306,982	10,909,474	9,484,027	568,672	856,775	2,442,994	2,738,135
Mortgages, notes, and bonds payable in one year or more.....	801,769,579	50,302,107	40,565,647	3,241,151	6,495,309	10,035,002	10,038,013
Net worth.....	2,949,156,395	22,443,151	10,493,659	4,779,661	7,169,831	12,841,616	21,343,642
Total receipts.....	1,900,428,224	8,190,986	1,168,140	1,928,997	5,093,849	13,196,260	19,457,811
Business receipts.....	989,306,810	5,878,179	889,591	1,156,140	3,832,449	10,738,332	16,529,806
Total deductions.....	1,724,307,330	12,556,645	5,378,878	2,109,193	5,068,574	12,940,237	19,085,699
Cost of sales and operations.....	575,172,643	630,372	119,683	97,831	412,858	1,232,057	2,809,937
Taxes paid.....	35,686,529	815,928	295,747	179,404	340,778	754,249	943,203
Interest paid.....	326,347,417	1,237,994	555,427	239,827	442,740	1,003,859	982,832
Depreciation.....	33,658,815	637,928	165,854	162,901	309,173	596,044	590,696
Pension, profit-sharing, stock bonus, and annuity plans.....	6,954,230	43,581	*23,808	*524	19,248	110,595	141,775
Employee benefit programs.....	15,767,467	57,993	17,970	6,174	33,849	95,003	154,911
Net income (less deficit).....	146,978,975	-4,384,228	-4,192,377	-196,125	4,273	227,657	308,877
Income subject to tax.....	101,570,714	704,686	147,683	200,500	356,504	573,003	625,255
Income tax, total.....	35,433,128	128,282	31,978	32,018	64,286	119,670	161,433
Alternative minimum tax.....	1,107,216	3,452	1,253	849	1,350	2,742	4,794
Environmental tax.....	131,745	*47	*30	(')	*17	(')	20
Foreign tax credit.....	3,155,108	8,345	*8,140	*46	*159	257	122
U.S. possessions tax credit.....	22,486	-	-	-	-	5	-
Orphan drug credit.....	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	18,700	*153	-	*153	-	*27	*298
General business credit.....	204,908	889	*183	*119	*587	*970	1,231
Prior year minimum tax credit.....	1,129,382	699	*77	*26	*596	526	238
Total income tax after credits.....	30,902,544	118,197	23,578	31,674	62,944	117,885	159,546

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 5--Selected Balance Sheet, Income Statement and Tax Items by Industrial Division, by Size of Business Receipts--Continued

(All figures are estimates based on samples--money amounts are in thousands of dollars and size of business receipts is in whole dollars)

Industrial division and item	Size of business receipts					
	\$500,000 under \$1,000,000	\$1,000,000 under \$2,500,000	\$2,500,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 or more
	(8)	(9)	(10)	(11)	(12)	(13)
Wholesale and Retail Trade						
Number of returns.....	157,989	142,091	60,051	35,547	33,114	5,550
Total assets.....	39,155,516	71,406,646	66,637,800	78,381,520	196,316,183	1,076,422,749
Notes and accounts receivable, net.....	6,153,276	14,421,516	15,309,731	19,225,086	45,188,798	226,332,447
Inventories.....	12,994,317	23,465,232	24,212,976	30,047,541	76,170,858	240,286,185
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	6,048,152	10,616,882	9,069,768	9,102,661	21,902,053	159,350,280
Other investments and loans.....	2,546,581	5,230,423	3,483,789	4,041,865	10,484,115	157,938,187
Depreciable assets.....	20,808,205	33,136,286	27,652,903	29,421,662	66,146,063	309,786,343
Less: Accumulated depreciation.....	12,517,163	20,566,245	16,771,366	17,348,405	35,213,053	123,529,683
Other capital assets less reserves.....	1,908,953	3,193,822	2,339,988	2,713,982	7,633,354	63,418,526
Total liabilities.....	39,155,516	71,406,646	66,637,800	78,381,520	196,316,183	1,076,422,749
Accounts and notes payable.....	10,416,626	22,116,430	24,099,414	32,595,423	88,146,602	352,925,060
Other current liabilities.....	2,793,354	4,703,344	4,442,601	5,017,101	14,248,040	154,230,220
Mortgages, notes, and bonds payable in one year or more.....	8,129,280	11,952,375	9,835,830	9,923,746	26,510,231	205,044,967
Net worth.....	11,186,923	24,018,284	22,621,398	25,117,221	56,058,845	259,028,945
Total receipts.....	115,314,320	225,093,034	211,068,320	251,178,585	669,353,652	1,927,064,555
Business receipts.....	113,294,922	222,102,871	208,289,522	248,148,544	659,612,878	1,865,442,011
Total deductions.....	114,657,738	223,145,932	208,741,677	248,552,248	662,003,411	1,900,035,238
Cost of sales and operations.....	70,768,075	150,938,099	151,820,705	190,693,288	535,826,060	1,461,894,802
Taxes paid.....	3,129,363	5,026,477	3,710,411	3,848,332	8,420,856	25,715,740
Interest paid.....	1,230,700	2,107,533	1,830,796	2,081,628	5,353,437	36,472,860
Depreciation.....	1,712,539	2,567,264	2,146,979	2,341,818	5,456,416	28,947,378
Pension, profit-sharing, stock bonus, and annuity plans.....	214,078	539,228	499,514	527,519	1,102,575	4,158,210
Employee benefit programs.....	588,636	997,149	1,130,929	1,285,000	3,277,991	14,067,972
Net income (less deficit).....	649,928	1,928,153	2,312,440	2,613,438	7,345,250	27,877,097
Income subject to tax.....	1,117,267	1,939,514	1,649,524	1,763,578	4,409,371	32,989,462
Income tax, total.....	200,211	398,348	403,860	510,520	1,481,852	11,634,460
Alternative minimum tax.....	*3,089	1,701	3,817	5,430	39,113	348,728
Environmental tax.....	*8	*17	*11	*27	885	45,444
Foreign tax credit.....	*45	*428	*3	*4	20,232	1,215,401
U.S. possessions tax credit.....	4	108	210	533	5,192	23,925
Orphan drug credit.....	-	-	-	-	-	-
Nonconventional source fuel credit.....	-	*14	*428	-	*64	984
General business credit.....	3,124	6,794	5,377	4,328	16,944	202,756
Prior year minimum tax credit.....	*663	*1,128	2,409	1,844	20,246	136,537
Total income tax after credits.....	196,375	389,877	395,434	503,812	1,419,175	10,054,858
Finance, Insurance, and Real Estate^a						
Number of returns.....	31,993	24,054	10,001	6,235	6,464	2,517
Total assets.....	63,633,135	172,067,450	253,718,476	432,995,802	1,313,970,860	9,010,561,176
Notes and accounts receivable, net.....	8,513,476	32,046,254	65,387,907	119,687,713	258,086,680	1,988,284,070
Inventories.....	1,123,578	2,158,743	1,808,980	1,439,634	3,417,107	14,471,988
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	13,852,772	46,040,431	75,811,649	129,515,601	397,834,413	2,392,211,890
Other investments and loans.....	24,182,688	66,308,096	89,229,045	156,332,330	593,181,654	3,877,619,106
Depreciable assets.....	15,380,669	23,922,122	19,798,822	20,229,651	44,469,395	188,103,762
Less: Accumulated depreciation.....	5,596,517	8,181,280	6,569,572	7,102,594	14,328,742	65,731,373
Other capital assets less reserves.....	4,152,148	6,828,193	4,525,041	4,604,347	10,276,867	45,822,559
Total liabilities.....	63,633,135	172,067,450	253,718,476	432,995,802	1,313,970,860	9,010,561,176
Accounts and notes payable.....	9,172,863	29,556,448	47,022,219	100,365,567	180,577,002	993,393,996
Other current liabilities.....	5,988,552	36,313,491	81,062,419	139,785,288	421,545,186	3,712,521,443
Mortgages, notes, and bonds payable in one year or more.....	12,431,945	22,284,999	16,599,380	20,097,169	68,857,892	591,123,074
Net worth.....	28,175,706	67,073,950	99,422,486	157,092,915	591,878,702	1,948,884,227
Total receipts.....	22,293,813	38,566,556	34,816,395	44,084,949	134,443,402	1,585,378,051
Business receipts.....	17,692,186	28,023,813	18,436,686	16,479,756	43,886,611	831,641,441
Total deductions.....	21,790,709	37,398,384	30,967,744	37,698,568	104,862,311	1,447,007,034
Cost of sales and operations.....	3,006,178	7,406,485	6,103,140	5,317,833	16,719,326	531,947,316
Taxes paid.....	956,230	1,604,227	1,157,963	1,103,189	2,897,559	25,453,981
Interest paid.....	1,497,354	3,999,257	6,148,745	10,002,717	29,815,667	271,658,993
Depreciation.....	624,809	1,087,965	872,579	930,709	2,399,911	25,918,172
Pension, profit-sharing, stock bonus, and annuity plans.....	112,675	199,868	176,193	210,077	521,642	5,437,824
Employee benefit programs.....	225,088	373,837	396,740	438,263	1,371,903	12,653,729
Net income (less deficit).....	394,616	650,718	2,852,302	4,649,377	22,402,808	119,876,849
Income subject to tax.....	725,816	1,366,450	2,069,625	3,359,890	9,980,988	82,165,012
Income tax, total.....	209,133	443,424	713,447	1,168,598	3,438,650	29,052,491
Alternative minimum tax.....	6,970	15,216	18,320	24,437	67,825	983,480
Environmental tax.....	46	103	248	628	7,702	122,950
Foreign tax credit.....	2,825	11,121	7,558	11,886	54,685	3,058,310
U.S. possessions tax credit.....	-	122	1,331	1,549	5,822	13,658
Orphan drug credit.....	-	-	-	-	-	-
Nonconventional source fuel credit.....	*85	*31	*135	*71	720	17,180
General business credit.....	1,052	2,260	2,314	4,924	12,596	178,671
Prior year minimum tax credit.....	1,852	4,108	11,501	18,832	49,756	1,041,871
Total income tax after credits.....	203,319	425,782	690,607	1,129,336	3,315,072	24,742,801

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 5--Selected Balance Sheet, Income Statement and Tax Items by Industrial Division, by Size of Business Receipts--Continued

(All figures are estimates based on samples--money amounts are in thousands of dollars and size of business receipts is in whole dollars)

Industrial division and item	Total returns of active corporations	Size of business receipts					
		Under \$100,000 ²	Under \$25,000 ²	\$25,000 under \$50,000	\$50,000 under \$100,000	\$100,000 under \$250,000	\$250,000 under \$500,000
		(1)	(2)	(3)	(4)	(5)	(6)
Services							
Number of returns.....	1,100,449	512,806	297,088	84,420	131,299	224,075	161,548
Total assets.....	661,597,099	39,629,089	30,033,666	3,077,784	6,517,638	18,292,577	23,046,238
Notes and accounts receivable, net.....	105,501,541	3,477,622	2,885,861	161,766	429,996	1,357,935	2,802,597
Inventories.....	21,825,238	742,766	481,518	58,691	202,557	579,045	1,110,923
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	100,542,407	8,436,572	6,638,627	528,686	1,269,259	3,788,729	4,265,782
Other investments and loans.....	144,045,913	11,219,696	9,105,874	798,539	1,315,284	2,673,112	3,164,095
Depreciable assets.....	341,257,909	23,605,754	15,706,395	2,463,448	5,435,911	16,598,092	20,818,438
Less: Accumulated depreciation.....	156,272,021	12,940,409	8,603,176	1,436,514	2,900,720	9,671,200	12,309,882
Other capital assets less reserves.....	59,345,309	2,679,895	1,924,930	259,233	495,732	1,479,816	1,850,761
Total liabilities.....	661,597,099	39,629,089	30,033,666	3,077,784	6,517,638	18,292,577	23,046,238
Accounts and notes payable.....	111,753,807	5,872,439	4,323,480	598,319	950,640	2,621,122	3,792,298
Other current liabilities.....	82,532,339	2,818,970	2,153,191	186,733	479,045	1,319,920	1,892,112
Mortgages, notes, and bonds payable in one year or more.....	177,398,197	13,662,449	10,690,528	589,773	2,382,148	5,568,310	6,776,424
Net worth.....	196,588,365	2,084,102	1,711,491	15,687	358,944	3,508,289	4,793,255
Total receipts.....	869,533,422	23,606,813	10,300,075	3,365,112	9,941,626	38,125,621	59,447,178
Business receipts.....	816,783,759	14,590,600	1,819,403	3,115,763	9,655,434	37,099,722	57,876,688
Total deductions.....	851,122,645	25,880,483	12,652,624	3,480,722	9,747,136	37,260,390	57,952,678
Cost of sales and operations.....	296,026,593	2,394,769	302,405	537,106	1,555,257	7,672,537	14,534,062
Taxes paid.....	30,748,570	937,157	390,148	130,775	416,235	1,610,666	2,387,159
Interest paid.....	23,050,166	1,140,029	818,277	68,562	253,190	683,493	874,793
Depreciation.....	35,004,687	1,462,694	818,233	187,056	457,405	1,327,977	1,892,667
Pension, profit-sharing, stock bonus, and annuity plans.....	5,490,918	109,432	60,014	7,252	42,166	245,619	385,674
Employee benefit programs.....	13,815,532	244,937	133,711	44,664	66,562	276,719	516,219
Net income (less deficit).....	18,525,343	-2,300,674	-2,378,183	-116,605	194,115	862,771	1,492,489
Income subject to tax.....	18,051,952	536,120	335,855	58,279	141,986	333,515	562,476
Income tax, total.....	5,920,338	126,006	92,554	10,518	22,933	58,310	103,119
Alternative minimum tax.....	206,278	3,506	2,972	*138	*396	*733	2,587
Environmental tax.....	18,710	96	96	(¹)	-	-	*34
Foreign tax credit.....	554,954	*4,679	*3,896	-	*783	1	*301
U.S. possessions tax credit.....	11,230	848	820	9	19	-	92
Orphan drug credit.....	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	*240	-	-	-	-	*87	-
General business credit.....	107,075	*2,449	*2,408	*34	*8	*683	*1,773
Prior year minimum tax credit.....	99,545	*208	*132	*76	-	-	*1,040
Total income tax after credits.....	5,147,294	117,822	85,300	10,399	22,123	57,539	99,913
Nature of Business not Allocable							
Number of returns.....	19,864	15,289	11,753	*1,295	*2,241	3,162	*1,049
Total assets.....	1,971,824	1,228,884	1,078,605	*42,306	*107,973	242,127	*48,110
Notes and accounts receivable, net.....	165,879	114,537	91,225	*15,296	*8,017	*17,786	*1,683
Inventories.....	214,486	*102,357	*39,392	*22,808	*40,157	*22,351	*1,579
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	401,536	297,720	289,071	*3,620	*5,029	52,193	*2,434
Other investments and loans.....	311,998	270,811	284,656	-	*6,155	*25,829	*2,702
Depreciable assets.....	751,629	288,773	258,911	*10,773	*19,089	117,698	*91,392
Less: Accumulated depreciation.....	266,557	63,597	43,843	*10,251	*9,502	47,639	*51,904
Other capital assets less reserves.....	163,605	72,380	*59,043	*61	*13,276	*36,321	*223
Total liabilities.....	1,971,824	1,228,884	1,078,605	*42,306	*107,973	242,127	*48,110
Accounts and notes payable.....	660,102	426,580	391,550	*20,389	*14,641	*87,330	*9,546
Other current liabilities.....	230,100	195,561	192,486	-	*3,075	*2,635	*32
Mortgages, notes, and bonds payable in one year or more.....	502,179	277,072	*210,765	*3,712	*62,595	*71,679	*31,301
Net worth.....	87,926	60,957	46,760	*12,206	*1,990	19,808	*30,837
Total receipts.....	2,523,472	365,801	153,380	*48,427	*163,994	511,871	*349,043
Business receipts.....	2,359,756	230,315	18,482	*47,852	*163,981	505,265	*349,029
Total deductions.....	2,610,825	442,437	213,998	*51,053	*177,386	524,201	*351,789
Cost of sales and operations.....	1,412,600	122,102	*3,238	*19,228	*99,637	*171,343	*163,953
Taxes paid.....	55,531	12,373	9,583	*1,908	*882	17,456	*5,442
Interest paid.....	59,667	23,083	18,030	*962	*4,091	*11,201	*6,773
Depreciation.....	54,526	19,907	14,228	*344	*5,335	8,459	*4,827
Pension, profit-sharing, stock bonus, and annuity plans.....	*15,052	*469	*469	-	-	*7,497	*1,278
Employee benefit programs.....	15,334	*1,482	81	-	*1,402	*4,049	-
Net income (less deficit).....	-87,419	-76,703	-60,685	*-2,627	*-13,392	-12,330	*-2,746
Income subject to tax.....	21,818	15,744	14,587	-	*1,157	*5,096	-
Income tax, total.....	3,229	2,066	1,892	-	*174	*764	-
Alternative minimum tax.....	*74	-	-	-	-	-	-
Environmental tax.....	-	-	-	-	-	-	-
Foreign tax credit.....	-	-	-	-	-	-	-
U.S. possessions tax credit.....	318	-	-	-	-	-	-
Orphan drug credit.....	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	-	-	-	-	-	-	-
General business credit.....	-	-	-	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-	-
Total income tax after credits.....	2,911	2,066	1,892	-	*174	*764	-

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 5—Selected Balance Sheet, Income Statement and Tax Items by Industrial Division, by Size of Business Receipts—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars and size of business receipts is in whole dollars)

Industrial division and item	Size of business receipts					
	\$500,000 under \$1,000,000	\$1,000,000 under \$2,500,000	\$2,500,000 under \$5,000,000	\$5,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 or more
	(8)	(9)	(10)	(11)	(12)	(13)
Services						
Number of returns.....	105,721	60,152	18,952	10,286	5,791	1,117
Total assets.....	29,899,862	42,243,712	31,866,095	36,557,341	77,537,927	362,524,259
Notes and accounts receivable, net.....	3,829,946	6,665,177	8,829,479	8,163,751	18,143,225	54,231,808
Inventories.....	1,462,139	2,020,745	1,531,836	1,406,161	2,603,656	10,367,967
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	6,125,263	9,412,430	5,887,937	5,734,860	12,552,626	44,338,208
Other investments and loans.....	3,884,071	4,050,796	3,217,902	4,842,106	9,392,541	101,601,594
Depreciable assets.....	24,560,711	31,917,415	22,629,223	21,245,247	40,370,037	139,512,992
Less: Accumulated depreciation.....	13,379,526	16,718,235	11,481,158	10,652,386	16,441,232	52,877,994
Other capital assets less reserves.....	2,371,334	3,153,917	2,117,729	4,368,314	7,203,836	34,119,707
Total liabilities.....	29,899,862	42,243,712	31,866,095	36,557,341	77,537,927	362,524,259
Accounts and notes payable.....	6,250,631	8,641,647	7,707,388	7,855,819	18,473,826	50,538,637
Other current liabilities.....	2,829,299	5,106,513	4,210,519	5,212,680	10,542,304	48,600,022
Mortgages, notes, and bonds payable in one year or more.....	9,377,386	12,198,890	8,784,047	10,808,519	21,180,114	89,042,059
Net worth.....	6,907,952	10,398,303	7,455,862	8,284,029	20,078,929	133,077,634
Total receipts.....	75,997,644	94,189,698	67,448,214	72,230,365	117,347,050	321,140,838
Business receipts.....	74,228,118	91,215,578	65,341,021	69,417,929	111,561,471	295,454,652
Total deductions.....	74,787,319	92,385,897	66,373,703	70,961,122	115,050,499	310,470,554
Cost of sales and operations.....	21,231,179	30,465,535	22,170,449	29,683,661	44,285,743	123,588,658
Taxes paid.....	2,851,903	3,604,875	2,560,384	2,694,555	4,016,315	10,085,557
Interest paid.....	1,207,975	1,645,009	1,202,389	1,088,141	2,758,144	12,450,192
Depreciation.....	2,162,594	2,923,405	2,124,043	2,142,723	3,764,485	17,204,100
Pension, profit-sharing, stock bonus, and annuity plans.....	527,794	661,863	634,340	385,017	629,230	1,911,948
Employee benefit programs.....	754,597	1,225,034	1,077,388	1,273,875	2,034,592	6,412,172
Net income (less deficit).....	1,205,329	1,794,479	1,080,297	1,266,378	2,313,945	10,810,329
Income subject to tax.....	738,566	962,347	687,660	842,330	2,124,821	11,264,118
Income tax, total.....	157,857	246,291	216,637	280,332	746,304	3,985,482
Alternative minimum tax.....	1,754	10,050	14,289	12,107	29,785	131,468
Environmental tax.....	*27	*67	118	134	1,261	16,969
Foreign tax credit.....	*6	*745	*8,146	8,401	32,095	500,581
U.S. possessions tax credit.....	35	307	645	6,004	3,299	-
Orphan drug credit.....	-	-	-	-	-	-
Nonconventional source fuel credit.....	-	-	-	-	-	153
General business credit.....	2,617	6,576	8,215	7,725	15,704	61,333
Prior year minimum tax credit.....	*2,215	2,548	4,454	3,748	7,158	78,174
Total income tax after credits.....	152,984	236,115	195,177	254,455	688,049	3,345,240
Nature of Business not Allocable						
Number of returns.....	*72	*124	*103	*62	*4	-
Total assets.....	*64,304	*195,528	*88,247	*75,005	*29,619	-
Notes and accounts receivable, net.....	*129	*9,101	*4,156	*5,760	*12,725	-
Inventories.....	*19,299	*16,619	*6,874	*42,518	*2,889	-
Cash, U.S. Government obligations, tax-exempt securities, and other current assets.....	*1,360	*19,196	*12,736	*11,767	*4,129	-
Other investments and loans.....	*543	*10,692	-	*1,420	-	-
Depreciable assets.....	*47,170	*66,155	*85,770	*44,938	*9,732	-
Less: Accumulated depreciation.....	*31,704	*12,820	*22,287	*34,224	*2,383	-
Other capital assets less reserves.....	*24,619	*28,031	*996	-	1,035	-
Total liabilities.....	*64,304	*195,528	*88,247	*75,005	*29,619	-
Accounts and notes payable.....	*38,194	*33,565	*3,592	*43,546	*17,749	-
Other current liabilities.....	*1,448	*11,146	*6,711	*5,501	*7,067	-
Mortgages, notes, and bonds payable in one year or more.....	-	*54,140	*53,429	*13,328	*1,229	-
Net worth.....	*17,065	*8,879	*542	*9,022	*3,575	-
Total receipts.....	*49,108	*242,137	*373,981	*559,790	*71,741	-
Business receipts.....	*49,108	*237,875	*362,050	*554,526	*71,587	-
Total deductions.....	*45,643	*228,665	*362,983	*569,570	*85,536	-
Cost of sales and operations.....	*21,972	*109,298	*306,097	*455,492	*62,343	-
Taxes paid.....	*3,621	*5,640	*2,597	*7,041	*1,361	-
Interest paid.....	*1,479	*7,723	*8,183	*639	*586	-
Depreciation.....	*3,765	*4,006	*10,396	*2,699	*467	-
Pension, profit-sharing, stock bonus, and annuity plans.....	-	*1,076	-	*4,732	-	-
Employee benefit programs.....	-	*3,107	*879	*5,168	*649	-
Net income (less deficit).....	*3,466	*13,472	*10,998	*9,780	*13,795	-
Income subject to tax.....	-	*42	-	-	936	-
Income tax, total.....	-	*6	*74	-	318	-
Alternative minimum tax.....	-	-	*74	-	-	-
Environmental tax.....	-	-	-	-	-	-
Foreign tax credit.....	-	-	-	-	-	-
U.S. possessions tax credit.....	-	-	-	-	318	-
Orphan drug credit.....	-	-	-	-	-	-
Nonconventional source fuel credit.....	-	-	-	-	-	-
General business credit.....	-	-	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-
Total income tax after credits.....	-	*6	*74	-	-	-

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

† Less than \$500 per return.

* Includes returns with zero receipts and receipts not reported.

† Size of total receipts was used in lieu of business receipts to classify statistics for the "Finance, insurance, and real estate" division.

NOTE: Detail may not add to total because of rounding and the deletion of data. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 6--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry

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

Item	Major Industry						
	All Industries	Agriculture, forestry, and fishing	Mining				Nonmetallic minerals, except fuels
			Total	Metal mining	Coal mining	Oil and gas extraction	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of returns, total.....	3,869,023	137,833	36,660	2,088	2,164	28,340	4,068
Total assets.....	20,002,093,972	71,760,770	218,211,769	31,267,382	19,812,736	150,624,623	16,507,027
Cash.....	806,358,400	5,094,121	8,239,232	1,434,999	655,397	5,184,062	964,774
Notes and accounts receivable.....	4,168,985,629	6,689,387	19,329,794	2,410,964	3,094,692	12,001,884	1,822,255
Less: Allowance for bad debts.....	118,702,488	56,684	232,406	8,904	28,652	141,647	53,202
Inventories.....	915,412,953	8,114,409	6,454,160	1,254,950	989,859	3,136,592	1,072,758
Investments in Government obligations.....	1,248,403,852	185,085	1,143,877	*79,120	*149,696	768,849	*146,213
Tax-exempt securities.....	615,621,779	296,831	326,034	*5,269	*113,205	166,449	*41,111
Other current assets.....	1,283,851,498	2,436,156	8,265,130	1,854,175	843,091	4,746,197	821,667
Loans to stockholders.....	87,204,098	1,959,233	1,087,396	294,401	34,281	677,451	81,264
Mortgage and real estate loans.....	1,566,888,344	574,439	134,227	*708	*1,088	120,580	*11,852
Other investments.....	4,970,584,447	5,962,327	80,008,096	10,938,680	3,166,009	62,163,362	3,740,046
Depreciable assets.....	4,755,145,257	54,947,670	110,023,420	13,288,227	13,599,337	71,084,012	12,057,947
Less: Accumulated depreciation.....	2,131,890,499	34,180,160	54,699,823	5,336,552	7,674,065	34,763,123	6,926,084
Depletable assets.....	130,636,678	641,727	41,226,885	4,221,759	2,081,713	34,706,291	1,209,576
Less: Accumulated depletion.....	60,154,855	171,681	18,334,792	1,012,186	518,337	16,634,310	169,959
Land.....	221,387,129	18,297,985	3,844,560	421,759	902,663	1,575,371	944,767
Intangible assets (amortizable).....	528,635,628	487,410	7,423,497	1,173,280	1,611,611	4,281,497	357,109
Less: Accumulated amortization.....	124,473,187	153,008	3,014,994	403,919	558,695	2,003,901	48,479
Other assets.....	1,138,219,310	2,635,523	6,987,477	1,643,108	1,355,948	3,555,007	433,413
Total liabilities.....	20,002,093,972	71,760,770	218,211,769	31,267,382	19,812,736	150,624,623	16,507,027
Accounts payable.....	1,604,993,260	4,114,407	13,180,773	2,372,301	1,556,511	8,110,561	1,141,399
Mortgages, notes, and bonds payable in less than one year.....	1,559,836,081	10,417,712	11,475,677	1,593,373	768,106	7,150,742	1,965,456
Other current liabilities.....	5,215,873,641	3,228,849	10,615,838	1,547,999	1,399,989	6,628,749	1,039,102
Loans from stockholders.....	305,658,885	8,521,653	4,854,993	977,221	555,793	3,057,162	284,818
Mortgages, notes, and bonds payable in one year or more.....	2,742,486,304	18,985,055	49,702,561	5,368,078	4,879,377	36,400,251	3,054,875
Other liabilities.....	2,872,681,055	3,433,818	22,299,243	3,661,853	4,623,310	13,106,841	907,139
Capital stock.....	1,881,147,182	9,511,052	10,998,008	2,174,082	601,724	7,332,674	889,546
Paid-in or capital surplus.....	3,855,821,974	10,605,793	108,461,914	14,387,737	6,300,991	84,839,830	2,833,356
Retained earnings, appropriated.....	79,869,218	172,580	184,982	14,784	*44	*92,056	*58,098
Retained earnings, unappropriated.....	1,351,565,703	6,758,133	-8,831,756	-893,197	-537,916	-12,597,305	4,896,662
Less: Cost of treasury stock.....	1,268,049,328	1,968,081	4,710,463	136,810	333,193	3,597,037	643,424
Total receipts.....	11,742,134,729	95,563,041	112,830,722	10,697,782	19,095,175	70,831,637	12,206,118
Business receipts.....	10,360,428,794	89,556,975	102,467,999	9,871,528	17,668,524	63,362,195	11,565,755
Interest.....	790,948,417	484,258	2,661,391	277,540	247,377	1,968,753	167,721
Interest on Government obligations:							
State and local.....	38,331,700	28,973	31,289	*1,082	7,973	19,879	2,355
Rents.....	98,901,418	540,483	374,583	14,604	39,911	248,912	71,157
Royalties.....	41,426,926	90,425	511,421	51,364	136,336	300,613	23,108
Net short-term capital gain reduced by net long-term capital loss.....	14,586,137	14,429	74,459	111	*12,999	60,142	*1,207
Net long-term capital gain reduced by net short-term capital loss.....	45,124,296	659,030	1,095,784	69,025	234,313	752,055	40,391
Net gain, noncapital assets.....	32,313,236	574,579	770,199	42,353	66,916	579,367	81,563
Dividends received from domestic corporations.....	13,109,858	84,135	211,387	28,623	18,048	143,652	21,064
Dividends received from foreign corporations.....	28,883,052	59,577	228,044	34,877	12,501	169,376	*11,491
Other receipts.....	278,082,895	3,470,177	4,404,165	306,887	650,277	3,226,694	220,307
Total deductions.....	11,329,910,609	94,017,630	110,301,522	10,443,503	18,802,558	69,331,006	11,724,455
Cost of sales and operations.....	6,771,767,395	53,057,740	67,184,989	6,105,096	12,457,937	41,539,714	7,082,242
Compensation of officers.....	221,064,264	2,925,178	1,602,275	66,720	145,143	1,118,552	271,861
Repairs.....	93,926,324	1,902,938	987,064	110,643	279,810	339,146	257,465
Bad debts.....	89,579,547	252,282	380,246	25,308	78,577	231,970	44,391
Rent paid on business property.....	196,187,884	2,799,549	1,060,145	42,197	134,031	777,424	106,493
Taxes paid.....	273,955,753	2,250,457	3,307,067	280,641	946,010	1,693,729	386,687
Interest paid.....	597,033,444	2,453,897	5,153,228	610,216	488,606	3,647,446	406,960
Contributions or gifts.....	5,521,019	31,774	51,259	5,504	3,798	33,595	8,362
Amortization.....	36,582,360	124,607	576,841	186,940	84,304	272,892	32,704
Depreciation.....	346,214,939	3,852,322	5,970,320	920,580	743,194	3,503,044	803,502
Depletion.....	9,023,229	115,107	3,022,429	695,734	551,177	1,532,855	242,663
Advertising.....	134,332,126	426,606	125,902	4,726	9,938	69,205	42,033
Pension, profit-sharing, stock bonus, annuity plans.....	56,177,312	182,045	477,417	20,851	71,914	304,203	80,449
Employee benefit programs.....	142,114,225	817,919	1,516,832	72,715	511,136	721,493	211,488
Net loss, noncapital assets.....	18,678,786	142,982	412,024	34,774	15,219	344,186	17,845
Other deductions.....	2,337,752,003	22,682,227	18,473,483	1,260,858	2,281,764	13,201,552	1,729,310
Total receipts less total deductions.....	412,224,119	1,545,410	2,529,200	254,289	292,617	1,500,631	481,663
Constructive taxable income from related foreign corporations.....	28,104,602	*90,860	208,858	15,667	1	192,581	609
Net income (less deficit).....	401,997,022	1,607,297	2,706,769	268,624	284,644	1,673,333	479,918
Income subject to tax.....	377,899,601	2,012,510	4,268,855	681,191	562,682	2,624,498	400,483
Income tax, total *.....	131,284,690	563,325	1,657,953	294,177	245,491	962,405	155,881
Regular tax.....	125,770,915	541,516	1,428,389	232,473	190,031	876,487	129,397
Personal holding company tax.....	20,494	69	*542	-	-	*542	-
Recapture of investment credit.....	25,103	-	*6	-	-	*6	1
Alternative minimum tax.....	4,856,262	19,344	222,172	60,146	54,491	80,841	26,694
Environmental tax.....	496,610	1,015	7,355	1,509	1,193	4,047	607
Foreign tax credit.....	21,520,683	42,801	599,700	132,853	3,686	456,890	*6,272
U.S. possessions tax credit.....	3,748,561	3,944	-	-	-	-	-
Orphan drug credit.....	17,826	-	-	-	-	-	-
Nonconventional source fuel credit.....	233,331	39	20,042	-	172	19,869	-
General business credit.....	1,918,100	13,243	21,221	72	*600	18,940	*1,609
Prior year minimum tax credit.....	2,313,811	6,352	47,459	2,552	11,291	31,412	*2,205
Total income tax after credits.....	101,532,379	496,946	969,531	158,700	229,741	435,294	145,796

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 6—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued								
	Construction				Manufacturing				
	Total	General building contractors and operative builders	Heavy construction contractors	Special trade contractors	Total	Food and kindred products	Tobacco manufactures	Textile mill products	Apparel and other textile products
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
Number of returns, total.....	407,881	161,358	17,993	228,530	300,071	17,461	73	5,564	17,471
Total assets.....	231,050,110	111,261,427	50,641,527	69,147,156	4,113,123,804	352,219,083	201,988,634	52,416,517	44,824,032
Cash.....	26,127,300	11,305,731	5,483,897	9,337,672	109,289,289	8,195,674	698,883	1,516,895	1,962,109
Notes and accounts receivable.....	63,958,577	25,917,358	11,735,685	26,305,535	893,976,470	91,139,851	54,908,213	9,924,980	9,568,551
Less: Allowance for bad debts.....	592,564	205,669	128,868	258,027	21,196,586	821,104	*175,969	259,088	291,345
Inventories.....	27,818,870	19,929,649	1,851,521	6,037,699	371,341,238	33,224,578	9,375,147	9,528,818	12,249,078
Investments in Government obligations.....	1,675,113	863,029	614,738	177,346	31,809,147	2,354,509	117,554	812,839	135,103
Tax-exempt securities.....	1,454,999	182,859	1,005,715	266,425	18,423,325	528,266	471,262	-142,128	68,194
Other current assets.....	22,986,366	13,624,941	3,667,519	5,693,907	197,398,147	12,445,886	2,951,595	1,290,476	2,136,261
Loans to stockholders.....	4,899,624	1,857,186	1,350,919	1,691,519	20,357,457	1,365,081	95,657	460,286	448,794
Mortgage and real estate loans.....	6,961,535	6,528,589	139,839	293,107	29,753,928	779,798	544,113	*13,957	29,149
Other investments.....	24,354,575	11,534,412	9,855,204	2,964,959	992,270,044	74,736,980	73,991,043	6,210,979	8,035,941
Depreciable assets.....	98,692,505	25,443,843	31,980,349	41,268,313	1,807,067,491	134,077,060	20,606,550	30,849,813	12,479,651
Less: Accumulated depreciation.....	62,113,208	13,697,415	20,681,624	27,734,168	919,685,911	60,619,356	7,890,000	15,997,529	6,343,244
Depletable assets.....	544,722	138,588	339,861	66,273	72,675,487	*83,870	-	*44,300	4,309
Less: Accumulated depletion.....	193,360	46,428	105,279	41,652	35,245,671	*19,111	-	*11,088	3,818
Land.....	6,923,895	4,413,900	1,195,878	1,314,317	47,271,019	5,714,397	591,231	448,786	274,763
Intangible assets (amortizable).....	1,694,914	613,409	292,700	788,805	282,452,650	33,981,823	40,442,163	2,260,909	2,658,798
Less: Accumulated amortization.....	538,470	181,605	87,386	269,479	65,443,854	3,750,486	4,391,701	714,938	620,522
Other assets.....	6,394,715	3,019,051	2,131,059	1,244,605	280,610,134	18,801,367	9,652,894	5,893,995	2,032,261
Total liabilities.....	231,050,110	111,261,427	50,641,527	69,147,156	4,113,123,804	352,219,083	201,988,634	52,416,517	44,824,032
Accounts payable.....	43,131,447	22,528,522	6,648,068	13,954,857	447,726,519	76,201,734	24,878,883	5,366,649	5,377,455
Mortgages, notes, and bonds payable in less than one year.....	27,408,987	16,897,418	3,260,850	7,250,719	370,463,626	28,807,097	*6,353,767	5,107,839	5,159,044
Other current liabilities.....	30,332,779	15,631,619	4,775,082	9,926,076	355,374,251	22,692,078	11,439,413	3,738,960	3,931,498
Loans from stockholders.....	11,524,564	6,442,158	1,354,712	3,727,694	82,524,898	5,470,145	14,249,724	801,353	2,033,522
Mortgages, notes, and bonds payable in one year or more.....	34,747,506	20,689,159	6,454,101	7,604,246	871,762,206	75,068,390	56,461,123	12,559,854	9,271,113
Other liabilities.....	12,348,574	5,433,757	4,696,400	2,216,417	573,324,063	25,939,100	17,521,376	5,046,464	2,095,116
Capital stock.....	8,498,347	3,187,021	2,195,793	3,187,021	13,115,532	15,619,639	3,512,912	1,932,393	2,393,080
Paid-in or capital surplus.....	18,885,416	6,758,252	8,331,349	3,795,815	734,860,795	53,852,744	54,432,386	7,815,618	5,745,619
Retained earnings, appropriated.....	313,582	162,502	*21,891	129,189	6,309,618	735,553	123,361	54,230	10,622
Retained earnings, unappropriated.....	47,773,698	14,797,796	13,916,492	19,059,410	605,840,289	65,813,223	16,945,177	10,506,933	9,839,319
Less: Cost of treasury stock.....	3,914,791	1,266,776	1,015,212	1,632,803	118,145,414	17,980,619	3,929,557	513,774	1,032,156
Total receipts.....	499,405,033	216,936,213	79,372,677	203,096,143	3,760,265,837	407,928,436	79,441,400	69,402,673	77,332,098
Business receipts.....	488,401,977	211,677,373	76,290,053	200,434,551	3,513,707,078	391,468,427	71,562,500	67,984,120	75,471,057
Interest.....	2,450,198	1,571,104	548,978	330,115	73,820,431	3,683,923	4,616,968	455,462	360,186
Interest on Government obligations:									
State and local.....	185,974	62,890	44,059	79,025	1,693,667	55,555	7,414	15,083	31,016
Rents.....	1,007,967	615,861	206,837	185,268	35,114,395	991,646	880,623	120,302	58,965
Royalties.....	50,538	7,889	34,256	8,393	32,610,079	2,788,645	570,660	120,383	395,592
Net short-term capital gain reduced by net long-term capital loss.....	56,431	22,439	22,854	11,137	827,301	46,652	887	6,603	*7,920
Net long-term capital gain reduced by net short-term capital loss.....	634,444	260,880	174,105	199,459	11,014,195	659,652	34,047	49,847	29,404
Net gain, noncapital assets.....	955,911	225,006	392,254	338,650	9,272,563	304,714	26,061	76,774	55,905
Dividends received from domestic corporations.....	112,049	30,107	52,292	29,650	3,731,074	581,246	42,604	15,830	12,605
Dividends received from foreign corporations.....	134,881	28,688	103,068	3,125	23,997,713	2,316,354	885,585	76,953	173,358
Other receipts.....	5,414,663	2,433,975	1,503,919	1,476,769	54,477,342	5,031,623	814,050	481,315	736,091
Total deductions.....	493,857,790	215,027,885	78,021,100	200,808,805	3,633,844,572	391,949,728	72,911,829	66,707,196	74,509,491
Cost of sales and operations.....	376,299,025	177,332,821	60,419,594	138,546,610	2,402,877,254	268,384,034	34,224,068	49,889,858	53,703,007
Compensation of officers.....	18,097,540	6,020,448	1,722,155	10,354,937	40,722,330	2,887,432	380,809	963,635	2,001,376
Repairs.....	2,258,455	476,787	627,942	1,153,726	30,546,012	2,944,515	174,628	266,120	226,868
Bad debts.....	1,157,848	475,594	135,651	546,603	11,867,515	513,140	84,224	198,279	246,341
Rent paid on business property.....	4,798,887	1,286,959	848,365	2,663,563	38,098,828	3,214,692	447,286	551,622	1,105,909
Taxes paid.....	10,782,787	2,981,099	1,493,992	6,307,696	93,580,852	8,236,974	4,561,140	1,514,025	1,770,808
Interest paid.....	5,413,320	2,825,094	1,008,775	1,579,451	127,971,817	10,321,271	8,550,701	2,013,475	1,480,838
Contributions or gifts.....	108,107	40,920	31,084	36,104	2,543,259	333,038	*137,444	45,445	38,489
Amortization.....	225,008	80,545	33,362	111,101	12,634,949	1,416,009	358,447	173,403	127,171
Depreciation.....	8,200,586	1,816,747	2,560,551	3,823,288	128,364,195	9,365,078	2,579,470	2,189,493	997,363
Depletion.....	51,723	7,952	35,239	8,532	4,387,313	13,463	26	2,432	*2
Advertising.....	1,505,996	558,880	75,629	871,487	62,389,115	16,754,666	6,186,118	454,494	1,273,477
Pension, profit-sharing, stock bonus, annuity plans.....	2,240,978	559,586	372,835	1,308,557	26,				

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 6--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued								
	Manufacturing--Continued								
	Lumber and wood products	Furniture and fixtures	Paper and allied products	Printing and publishing	Chemicals and allied products	Petroleum (including integrated) and coal products	Rubber and miscellaneous plastics products	Leather and leather products	Stone, clay, and glass products
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
Number of returns, total.....	19,152	10,053	3,172	52,752	10,880	2,501	11,340	1,796	9,337
Total assets.....	65,386,053	20,837,411	155,511,313	208,473,988	541,974,909	607,569,866	60,422,864	17,778,904	84,225,526
Cash.....	2,369,543	928,486	1,581,132	7,006,205	16,001,603	3,287,568	2,005,404	392,428	2,448,198
Notes and accounts receivable.....	6,291,312	5,235,478	18,500,483	29,932,896	90,884,788	75,241,577	11,671,669	4,498,765	10,363,869
Less: Allowance for bad debts.....	143,073	164,029	423,010	2,373,034	1,712,650	790,005	361,183	58,812	416,051
Inventories.....	7,383,838	4,284,611	12,860,968	10,251,839	43,688,407	21,669,540	9,173,564	3,097,339	6,864,043
Investments in Government obligations.....	353,549	27,846	461,607	781,138	1,369,684	305,969	89,629	*36,127	120,583
Tax-exempt securities.....	850,626	*64,428	187,926	583,869	2,552,907	*269,358	*54,653	16,262	52,527
Other current assets.....	3,103,842	837,432	7,821,206	9,642,497	20,623,460	27,575,555	1,646,104	702,261	2,719,044
Loans to stockholders.....	175,960	69,823	271,888	1,465,627	5,757,431	2,630,905	302,675	*9,651	152,087
Mortgage and real estate loans.....	2,429,333	*18,336	2,305,799	153,826	1,911,743	88,205	*27,530	592	30,295
Other investments.....	11,260,587	1,939,315	27,397,097	75,004,914	163,564,004	251,346,638	9,085,684	628,931	24,048,177
Depreciable assets.....	40,142,540	11,122,516	109,522,442	77,183,638	231,715,619	323,021,794	39,710,049	5,668,224	44,142,398
Less: Accumulated depreciation.....	22,214,788	6,048,079	46,947,888	40,640,165	109,631,361	168,767,316	19,495,808	3,208,891	23,063,168
Depletable assets.....	4,542,160	*1,061	5,751,722	*141,248	6,915,255	50,124,643	*49,764	*1,064	1,409,957
Less: Accumulated depletion.....	163,418	623	879,949	*99,598	4,084,940	28,431,261	*14,858	*65	188,086
Land.....	1,095,967	285,546	1,498,543	2,492,417	5,308,110	7,772,851	639,997	5,227,441	2,041,255
Intangible assets (amortizable).....	472,973	1,913,218	4,747,162	29,737,569	31,555,033	43,183,034	3,163,858	614,734	5,058,224
Less: Accumulated amortization.....	139,456	275,686	646,229	7,347,169	6,559,593	23,632,111	775,038	161,204	835,289
Other assets.....	7,574,557	599,631	11,500,415	14,556,270	42,115,410	22,692,923	3,449,172	314,058	9,277,464
Total liabilities.....	65,386,053	20,837,411	155,511,313	208,473,988	541,974,909	607,569,866	60,422,864	17,778,904	84,225,526
Accounts payable.....	4,742,875	2,720,687	19,558,233	13,095,560	52,755,117	53,573,397	6,425,381	1,500,263	5,147,373
Mortgages, notes, and bonds payable in less than one year.....	4,294,938	1,573,825	7,991,152	10,908,882	36,694,055	31,225,579	6,563,414	626,255	6,540,903
Other current liabilities.....	4,615,519	2,121,526	14,527,588	20,244,963	53,866,083	25,701,693	5,249,345	1,723,993	5,232,684
Loans from stockholders.....	1,105,457	305,246	1,587,689	4,474,729	10,049,221	9,262,187	1,351,642	158,263	13,571,037
Mortgages, notes, and bonds payable in one year or more.....	16,538,471	4,751,543	43,282,131	56,833,407	106,865,468	104,349,949	14,135,996	6,779,830	20,049,848
Other liabilities.....	10,054,556	1,057,908	15,244,918	15,885,022	66,562,177	97,736,724	7,064,019	4,946,389	7,047,131
Capital stock.....	2,026,341	1,140,737	7,883,531	11,504,400	27,622,982	18,806,986	3,055,612	931,362	3,956,142
Paid-in or capital surplus.....	9,639,099	2,307,428	18,167,823	51,392,090	106,141,407	151,088,469	10,634,059	890,805	19,072,485
Retained earnings, appropriated.....	91,813	*817	*66,752	45,300	1,402,155	489,059	58,177	8,759	989,229
Retained earnings, unappropriated.....	12,873,719	5,132,907	29,840,940	30,100,799	102,912,066	141,672,513	6,443,834	475,888	4,935,830
Less: Cost of treasury stock.....	596,736	275,214	2,639,444	6,011,164	22,895,822	26,336,668	558,615	262,903	2,317,136
Total receipts.....	78,725,781	37,344,788	130,435,620	184,130,997	427,038,023	500,043,150	82,535,794	20,112,469	63,604,006
Business receipts.....	75,825,389	36,360,287	125,281,198	174,974,483	394,111,231	473,058,851	79,855,734	19,403,946	59,845,850
Interest.....	1,120,546	106,002	1,256,926	2,386,158	7,948,083	8,865,291	669,498	315,716	1,818,606
Interest on Government obligations:									
State and local.....	10,112	10,590	24,712	51,814	147,723	34,985	11,807	4,615	5,982
Rents.....	99,931	24,843	246,947	615,437	1,054,241	2,502,300	101,915	26,426	136,837
Royalties.....	55,688	77,138	767,322	1,766,286	5,376,997	1,312,212	296,235	46,190	363,606
Net short-term capital gain reduced by net long-term capital loss.....	33,200	*4,534	1,882	50,833	89,082	28,108	*3,687	*173	4,273
Net long-term capital gain reduced by net short-term capital loss.....	399,091	188,325	811,698	498,204	3,658,586	478,109	166,254	54,011	160,025
Net gain, noncapital assets.....	149,282	31,148	146,326	268,568	973,717	1,515,158	238,671	807	145,503
Dividends received from domestic corporations.....	22,779	5,643	75,576	144,132	819,537	679,698	15,641	3,706	87,850
Dividends received from foreign corporations.....	58,905	111,178	491,514	338,978	4,855,313	3,267,649	301,708	17,370	205,932
Other receipts.....	950,877	425,099	1,331,519	3,036,105	8,001,513	8,300,789	874,643	239,508	849,543
Total deductions.....	76,172,273	35,940,451	128,279,620	175,524,632	398,201,397	484,053,201	79,959,736	19,577,139	62,579,594
Cost of sales and operations.....	56,063,548	25,223,023	86,052,128	86,865,118	229,837,502	369,478,183	54,480,668	13,401,804	39,323,734
Compensation of officers.....	1,324,855	704,867	995,738	5,428,194	3,355,360	587,034	1,584,626	329,284	958,591
Repairs.....	1,127,869	126,846	2,566,166	1,060,148	4,818,345	4,742,796	619,352	58,490	1,106,143
Bad debts.....	139,571	129,375	241,913	1,359,268	916,745	539,050	253,952	51,619	258,322
Rent paid on business property.....	624,268	490,582	1,241,684	3,195,190	4,411,457	4,146,560	894,563	338,635	726,514
Taxes paid.....	1,668,559	919,672	2,708,627	5,157,932	8,219,639	21,189,780	1,722,478	539,421	1,603,272
Interest paid.....	1,950,644	631,897	4,566,498	6,426,159	14,012,579	15,168,517	2,204,603	706,675	3,877,605
Contributions or gifts.....	26,008	18,535	63,223	270,691	575,642	22,739	22,377	12,308	24,261
Amortization.....	72,316	74,168	274,060	2,243,447	1,706,682	1,303,434	224,692	34,689	227,993
Depreciation.....	2,253,430	759,896	7,722,869	6,156,607	15,482,513	13,058,405	2,849,296	348,941	2,450,715
Depletion.....	462,071	*2,407	274,696	14,109	375,229	2,484,402	*5,329	94,376	158,170
Advertising.....	344,032	535,725	1,098,809	3,685,921	13,187,867	1,028,623	901,188	356,431	349,571
Pension/profit-sharing/stock bonus/annuity plans.....	394,196	193,519	743,756	1,286,923	2,514,137	1,418,216	631,469	56,982	411,033
Employee benefit programs.....									

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 6--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued							
	Manufacturing--Continued							
	Primary metal industries	Fabricated metal products	Machinery, except electrical	Electrical and electronic equipment	Motor vehicles and equipment	Transportation equipment, except motor vehicles	Instruments and related products	Miscellaneous manufacturing and manufacturing not allocable
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
Number of returns, total.....	4,088	45,495	28,720	20,840	2,879	4,397	8,924	23,176
Total assets.....	124,782,099	123,633,479	255,643,215	433,400,331	418,519,769	140,872,780	129,941,756	72,701,276
Cash.....	4,691,867	6,013,745	10,052,288	16,360,066	7,154,740	7,443,199	5,482,873	3,718,384
Notes and accounts receivable.....	22,348,041	26,315,477	66,539,802	137,613,106	151,198,730	26,916,161	29,551,488	15,331,233
Less: Allowance for bad debts.....	428,912	554,932	1,636,881	6,664,886	1,629,251	891,234	709,126	692,012
Inventories.....	16,102,766	20,618,579	36,834,672	38,735,820	18,106,431	32,359,543	15,108,483	9,823,174
Investments in Government obligations.....	260,788	419,996	1,318,500	11,298,197	3,870,990	*234,425	7,228,227	211,889
Tax-exempt securities.....	*21,459	330,043	987,479	8,295,580	798,987	*357,463	1,129,720	660,189
Other current assets.....	4,533,247	4,490,642	15,285,854	38,661,647	23,635,871	4,838,248	8,680,849	3,776,172
Loans to stockholders.....	1,641,990	516,172	2,796,398	672,399	265,703	668,606	176,417	413,805
Mortgage and real estate loans.....	1,084,677	146,280	116,192	2,978,852	*16,539,320	*242,313	111,081	202,539
Other investments.....	18,123,900	17,627,963	38,350,440	59,607,376	75,847,761	16,765,327	21,966,705	16,730,283
Depreciable assets.....	84,126,703	68,196,963	123,752,030	161,134,348	146,329,527	69,042,722	49,493,113	24,749,972
Less: Accumulated depreciation.....	43,692,356	37,842,147	72,171,240	86,024,034	76,144,466	35,281,552	25,297,874	12,384,851
Depletable assets.....	2,805,931	138,600	118,551	*75,384	632	*216,221	*4,413	246,401
Less: Accumulated depletion.....	1,084,440	87,050	20,435	*25,628	455	*34,848	*1,113	94,888
Land.....	1,452,442	1,702,579	2,688,140	2,628,431	1,693,980	1,844,493	1,144,902	724,748
Intangible assets (amortizable).....	5,980,211	7,843,399	15,402,410	20,458,254	13,417,438	5,471,988	7,795,876	6,293,577
Less: Accumulated amortization.....	843,715	1,149,725	3,281,473	4,341,187	1,810,570	818,727	1,984,125	1,364,908
Other assets.....	7,657,500	8,906,896	18,510,487	31,936,605	39,244,402	11,498,432	10,059,647	4,335,749
Total liabilities.....	124,782,099	123,633,479	255,643,215	433,400,331	418,519,769	140,872,780	129,941,756	72,701,276
Accounts payable.....	15,057,996	13,475,527	30,030,525	43,385,351	40,249,560	14,432,210	11,810,394	7,941,350
Mortgages, notes, and bonds payable in less than one year.....	5,564,596	10,350,468	26,770,017	81,119,221	74,197,323	6,497,880	8,818,070	5,299,302
Other current liabilities.....	12,663,099	10,392,569	23,749,293	35,124,404	36,033,023	31,138,150	21,354,799	9,833,572
Loans from stockholders.....	2,716,087	3,127,382	2,936,471	2,848,700	1,899,444	1,060,863	1,381,747	2,133,988
Mortgages, notes, and bonds payable in one year or more.....	29,633,500	24,319,933	61,417,140	59,606,385	100,681,944	27,786,729	24,108,407	17,261,046
Other liabilities.....	27,705,926	10,846,767	27,357,294	97,899,535	97,104,624	20,172,962	11,699,101	4,336,954
Capital stock.....	7,402,101	7,650,967	21,991,399	17,633,417	8,579,386	7,662,681	7,011,401	4,765,505
Paid-in or capital surplus.....	30,398,081	19,846,453	41,582,174	53,845,096	51,822,152	11,270,646	21,829,750	13,086,363
Retained earnings, appropriated.....	95,393	74,462	659,237	29,009	*16,645	264,475	1,031,152	63,597
Retained earnings, unappropriated.....	-4,255,794	27,248,695	25,327,187	51,250,065	9,340,564	24,333,746	25,509,640	9,593,037
Less: Cost of treasury stock.....	2,198,887	3,699,744	6,177,522	9,340,851	1,404,896	3,747,562	4,612,705	1,613,439
Total receipts.....	130,502,572	168,220,692	274,754,659	340,084,964	307,708,783	178,173,327	122,281,524	80,466,082
Business receipts.....	126,611,303	163,594,466	240,128,427	306,464,650	276,442,337	166,942,871	111,292,968	77,026,504
Interest.....	1,303,429	825,850	3,954,711	11,214,863	16,974,448	2,701,215	2,434,009	808,541
Interest on Government obligations: State and local.....	7,574	37,153	207,108	595,745	118,471	21,826	208,126	86,255
Rents.....	178,926	371,650	7,688,093	8,447,149	8,331,766	1,591,753	1,352,813	291,831
Royalties.....	259,735	393,330	12,745,944	2,488,008	341,298	377,087	1,559,320	508,403
Net short-term capital gain reduced by net long-term capital loss.....	4,443	5,641	47,729	116,998	55,027	27,429	286,069	6,131
Net long-term capital gain reduced by net short-term capital loss.....	226,288	407,946	680,371	979,757	504,992	171,557	696,642	159,386
Net gain, noncapital assets.....	445,968	312,957	351,152	1,456,580	1,860,678	521,827	225,638	165,147
Dividends received from domestic corporations.....	66,911	80,705	147,799	346,370	119,397	98,895	58,982	325,169
Dividends received from foreign corporations.....	296,504	405,600	4,440,118	1,608,239	477,938	1,808,255	1,578,753	281,508
Other receipts.....	1,101,490	1,784,915	4,363,207	6,366,605	2,482,431	3,910,611	2,588,203	807,206
Total deductions.....	131,689,746	162,460,069	267,809,417	329,794,774	308,701,238	173,006,401	116,237,925	77,778,715
Cost of sales and operations.....	99,142,779	114,679,246	162,649,003	201,751,042	214,034,441	129,609,989	64,203,650	49,880,427
Compensation of officers.....	1,012,570	4,898,602	3,645,048	4,002,985	772,660	935,331	1,973,378	1,979,954
Repairs.....	2,469,861	803,059	1,525,998	1,997,900	2,138,666	1,029,079	383,508	359,656
Bad debts.....	309,666	480,600	809,515	2,802,860	1,289,874	251,431	499,520	492,208
Rent paid on business property.....	1,151,016	1,518,867	3,531,402	4,204,950	2,464,920	1,429,521	1,465,756	943,433
Taxes paid.....	2,509,452	4,035,186	5,956,127	7,102,474	5,869,490	3,170,700	2,483,824	1,641,272
Interest paid.....	3,158,155	3,443,214	8,365,112	15,191,994	16,606,303	3,783,995	3,314,119	2,177,464
Contributions or gifts.....	22,709	59,411	184,716	159,062	26,977	82,032	119,818	43,332
Amortization.....	250,507	364,459	1,075,024	1,037,139	618,230	249,247	495,742	308,091
Depreciation.....	5,088,856	4,509,370	9,380,532	16,918,925	16,993,271	3,525,790	3,810,044	1,925,530
Depletion.....	425,380	7,350	19,893	4,902	2,882	25,379	7	*14,809
Advertising.....	202,739	1,375,490	2,578,146	3,874,615	3,293,372	385,196	2,445,947	2,076,690
Pension, profit-sharing, stock bonus, annuity plans.....	2,075,649	987,437	1,651,910	2,051,864	6,782,281	1,024,795	1,195,281	331,982
Employee benefit programs.....	2,782,850	3,229,895	6,599,309	6,238,117	5,698,172	3,578,190	2,564,121	1,275,932
Net loss, noncapital assets.....	98,517	124,289	496,315	532,938	106,645	139,810	130,945	102,916
Other deductions.....	10,989,041	21,943,496	59,341,368	61,923,006	32,003,053	23,785,916	31,152,220	14,225,019
Total receipts less total deductions.....	-1,187,174	5,760,623	6,945,241	10,290,189	-992,455	5,166,926	6,043,600	2,687,367
Constructive taxable income from related foreign corporations.....	210,089	315,888	2,432,525	1,405,842	1,237,921	215,242	808,579	193,420
Net income (less deficit).....	-984,659	6,039,359	9,170,659	11,100,287	126,994	5,360,341	6	

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 6—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued								
	Transportation and public utilities				Wholesale and retail trade				
	Total	Transportation	Communication	Electric, gas, and sanitary services	Total	Wholesale trade			
						Total	Groceries and related products	Machinery, equipment, and supplies	Miscellaneous wholesale trade
(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	
Number of returns, total.....	178,284	144,640	19,170	14,474	1,052,713	328,771	25,869	52,333	250,569
Total assets.....	1,641,997,827	298,740,818	569,486,428	773,770,581	1,581,910,771	752,872,402	55,040,835	68,286,483	629,545,084
Cash.....	28,839,727	12,646,127	8,692,836	7,500,764	82,665,205	37,083,206	2,802,743	4,362,622	29,917,842
Notes and accounts receivable.....	170,634,323	39,690,924	85,068,279	45,875,120	342,048,710	218,341,451	14,628,620	20,600,983	183,111,848
Less: Allowance for bad debts.....	4,853,280	1,048,519	2,730,661	1,074,101	8,894,062	4,243,775	318,104	467,060	3,458,611
Inventories.....	29,240,373	5,351,955	5,494,810	18,393,609	421,263,752	201,442,722	12,040,232	21,515,803	167,886,687
Investments in Government obligations.....	6,752,291	2,857,810	1,843,101	2,051,380	38,404,870	35,571,030	98,439	192,061	35,280,530
Tax-exempt securities.....	1,832,767	493,480	880,298	458,989	20,183,396	1,170,333	152,111	157,713	860,509
Other current assets.....	60,543,871	12,208,489	20,998,661	27,336,721	84,134,405	52,050,274	1,748,058	2,831,308	47,470,907
Loans to stockholders.....	3,508,408	1,693,133	524,798	1,290,476	13,438,202	4,572,417	322,700	655,646	655,646
Mortgage and real estate loans.....	2,999,420	692,875	166,993	2,139,552	14,559,960	2,230,060	229,527	261,608	1,738,925
Other investments.....	243,529,546	30,251,186	138,074,864	75,203,497	162,253,948	64,278,350	6,934,194	5,600,932	51,744,224
Depreciable assets.....	1,431,273,184	279,967,130	389,016,545	762,289,509	512,583,011	180,296,362	20,367,714	19,236,093	140,692,555
Less: Accumulated depreciation.....	528,027,400	116,539,637	157,709,899	253,777,864	240,142,647	89,793,027	10,311,402	10,240,862	69,240,763
Depletable assets.....	11,268,703	584,226	*8,298	10,676,179	2,195,385	1,507,208	9,637	48,191	1,449,380
Less: Accumulated depletion.....	4,647,002	203,052	*2,273	4,441,677	942,221	711,971	398	38,213	673,380
Land.....	13,609,150	5,051,904	3,491,206	5,066,040	39,773,980	10,826,708	1,034,368	1,015,486	8,776,854
Intangible assets (amortizable).....	77,791,673	9,649,075	58,351,671	9,790,927	56,859,547	25,418,109	3,906,008	1,365,078	20,147,022
Less: Accumulated amortization.....	12,679,696	1,557,097	8,777,458	2,345,140	13,530,481	5,273,268	645,662	368,155	4,259,450
Other assets.....	110,381,769	16,950,808	26,094,360	67,336,601	55,055,813	18,106,211	2,043,048	1,557,250	14,505,914
Total liabilities.....	1,641,997,827	298,740,818	569,486,428	773,770,581	1,581,910,771	752,872,402	55,040,835	68,286,483	629,545,084
Accounts payable.....	100,402,416	28,859,719	36,027,880	35,514,817	257,969,890	141,523,066	12,115,532	15,243,332	114,164,197
Mortgages, notes, and bonds payable in less than one year.....	95,282,500	25,339,560	37,843,930	32,099,010	285,430,921	176,620,430	4,468,173	11,886,853	160,265,404
Other current liabilities.....	131,497,269	37,492,731	46,384,662	47,619,897	188,755,214	90,389,291	4,893,088	5,448,708	80,047,495
Loans from stockholders.....	11,333,946	6,113,644	3,881,717	1,338,585	55,523,277	21,665,500	1,520,117	2,430,449	17,714,933
Mortgages, notes, and bonds payable in one year or more.....	506,309,738	85,828,933	158,861,164	261,619,641	283,339,263	107,151,176	10,891,799	9,898,856	86,360,521
Other liabilities.....	261,507,024	52,490,569	77,360,810	131,655,645	106,701,694	29,504,744	2,338,692	2,690,969	24,475,083
Capital stock.....	171,664,973	18,652,674	44,182,456	108,829,843	87,203,145	45,435,705	2,247,652	4,861,432	38,326,621
Paid-in or capital surplus.....	252,563,476	44,616,903	132,860,407	75,086,166	148,200,472	54,580,017	6,338,389	5,293,038	42,948,591
Retained earnings, appropriated.....	3,365,631	286,107	659,448	2,420,076	1,506,388	438,848	52,751	85,493	300,603
Retained earnings, unappropriated.....	128,150,651	4,456,183	43,732,500	79,961,968	191,452,808	96,013,441	11,343,410	11,682,525	72,987,505
Less: Cost of treasury stock.....	20,079,816	5,396,205	12,308,546	2,375,066	24,172,301	10,449,816	1,168,774	1,235,172	8,045,870
Total receipts.....	997,640,581	371,690,184	280,098,157	345,852,240	3,503,944,396	1,657,960,223	228,484,731	136,259,680	1,293,215,812
Business receipts.....	941,456,847	355,632,481	257,021,088	328,803,278	3,416,387,593	1,621,476,837	224,931,777	132,461,342	1,264,083,718
Interest.....	16,660,862	3,317,602	6,882,903	6,460,357	26,887,265	12,450,152	486,795	690,003	11,273,354
Interest on Government obligations:									
State and local.....	277,728	41,376	107,699	128,652	1,584,046	164,938	19,178	21,579	124,181
Rents.....	10,077,772	2,910,038	5,002,875	2,164,859	8,855,855	4,196,615	317,589	922,096	2,956,930
Royalties.....	707,465	109,467	422,049	175,949	2,873,369	791,799	34,962	41,037	715,800
Net short-term capital gain reduced by net long-term capital loss.....	235,982	99,697	46,844	89,441	273,779	156,238	4,930	3,480	147,829
Net long-term capital gain reduced by net short-term capital loss.....	3,142,680	1,279,402	1,138,309	724,989	3,314,152	764,166	37,420	87,738	639,009
Net gain, noncapital assets.....	4,233,585	2,149,799	833,163	1,250,624	3,628,265	1,759,708	55,103	251,251	1,453,355
Dividends received from domestic corporations.....	1,397,510	134,338	306,931	956,241	653,644	295,463	28,256	15,297	251,909
Dividends received from foreign corporations.....	484,933	120,074	276,083	88,776	1,587,332	1,298,372	9,061	39,606	1,249,706
Other receipts.....	18,965,218	5,895,911	8,060,214	5,009,094	37,899,095	14,605,936	2,559,661	1,726,252	10,320,023
Total deductions.....	956,469,140	371,256,620	260,734,820	324,477,700	3,463,379,154	1,841,145,372	226,561,850	134,412,941	1,280,170,581
Cost of sales and operations.....	381,368,495	144,938,823	74,389,866	162,041,806	2,618,368,057	1,343,262,424	193,663,227	100,901,627	1,048,697,571
Compensation of officers.....	9,056,549	5,569,086	1,720,189	1,767,274	53,786,677	26,603,637	2,437,965	3,860,331	20,304,841
Repairs.....	30,884,609	9,732,500	9,238,906	12,013,203	13,432,336	4,076,677	715,216	818,244	2,943,218
Bad debts.....	7,244,600	1,166,676	4,665,085	1,412,840	10,572,705	4,232,338	397,237	464,804	3,370,296
Rent paid on business property.....	29,259,186	19,522,635	5,595,280	4,141,272	64,433,457	13,959,876	1,686,627	1,445,564	10,827,684
Taxes paid.....	44,290,556	13,565,182	10,419,108	20,306,266	53,253,403	18,797,871	2,030,088	1,820,800	14,946,983
Interest paid.....	56,073,874	9,777,280	18,818,704	27,477,889	50,510,058	20,759,969	1,490,791	1,829,600	17,440,118
Contributions or gifts.....	597,002	101,285	251,849	243,868	756,328	300,276	55,659	28,414	216,204
Amortization.....	5,984,193	772,096	4,151,810	1,060,287	5,675,172	2,887,671	209,273	139,526	2,538,872
Depreciation.....	85,949,931	19,945,522	31,811,481	34,192,928	45,159,556	19,053,747	1,664,486	2,225,721	15,163,540
Depletion.....	980,388	169,726	14,063	796,599	109,523	98,506	*608	2,123	95,775
Advertising.....	6,407,706	2,239,575	3,611,851	556,280	42,541,742	12,455,115	935,106	736,129	10,783,880
Pension, profit-sharing, stock bonus, annuity plans.....	7,320,301	3,342,933	1,970,161	2,007,206	7,220,636	3,465,934	454,251	441,472	2,570,212
Employee benefit programs.....	21,402,343	9,472,359	7,781,272	4,148,711	21,818,532	7,712,759	1,279,506	1,029,704	5,403,548
Net loss, noncapital assets.....	3,004,402	689,085	1,055,225	1,260,092	2,013,292	535,879	29,526	76,911	429,443
Other deductions.....	266,545,005	130,253,857	85,239,970	51,051,179	473,727,682	162,942,694	19,512,285	18,992,010	124,438,398
Total receipts less total deductions.....	41,171,441	433,564	19,363,337	21,374,540	40,565,241	16,814,851	1,922,881	1,846,739	13,045,231
Constructive taxable income from related foreign corporations.....	896,096	102,898	628,336	164,862	2,362,587	2,135,300	*1,963	21,534	2,111,833
Net income (less deficit).....	41,789,809	495,086	19,883,974	21,410,749	41,343,782	18,785,243	1,905,666	1,846,694	15,032,883
Income subject to tax.....	50,135,337	6,949,547	21,532,382	21,653,409	44,854,072	18,906,326	1,834,674	1,941,434	15,130,218
Income tax, total ²	17,942,081	2,478,415	7,466,350	7,997,315	14,844,365	6,329,988	607,582	592,033	5,130,372
Regular tax.....	16,884,562	2,255,569	7,288,288	7,340,705	14,357,322	6,042,671	597,736	578,734	4,866,200
Personal holding company tax.....	*44	(¹)	*44	-	(¹)	(¹)	-	-	(¹)
Recapture of investment credit.....	16,274	2	10,881	5,390	2,327	*1,862	-	10	*1,852
Alternative minimum tax.....	970,451	213,561	127,632	629,259	428,635	261,189	8,527	10,769	241,893
Environmental tax.....	87,673	9,241	38,276	40,156	48,072	17,367	1,733	1,040	14,595
Foreign tax credit.....	478,522	41,534	362,923	74,065	1,242,782	950,735	*2,215	17,708	930,812
U.S. possessions tax credit.....	58,729	60	58,669	-	29,971	4,940	-	124	4,816
Orphan drug credit.....	-	-	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	58,112	*655	42	57,415	1,489	1,433	628	*482	*324
General business credit.....	352,638	57,166	116,402	179,070	248,272	48,400	4,741	4,305	38,994
Prior year minimum tax credit.....	366,463								

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 6—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued									
	Wholesale and retail trade—Continued									
	Retail trade									
	Total	Building materials, garden supplies and mobile home dealers	General merchandise stores	Food stores	Automotive dealers and service stations	Apparel and accessory stores	Furniture and home furnishing stores	Eating and drinking places	Miscellaneous retail stores	Wholesale and retail trade not allocable
(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	
Number of returns, total.....	720,187	44,524	9,714	68,003	99,561	41,939	39,518	180,789	236,140	3,755
Total assets.....	826,573,112	39,228,156	291,199,062	89,851,937	113,070,252	48,312,186	27,508,620	85,791,226	121,811,673	2,485,257
Cash.....	45,236,339	2,501,723	7,111,858	7,151,800	8,005,090	2,336,595	2,293,519	5,899,820	9,935,934	345,659
Notes and accounts receivable.....	123,019,098	6,515,076	60,954,861	6,558,480	14,175,874	5,490,188	5,601,167	4,382,376	19,341,077	688,161
Less: Allowance for bad debts.....	4,640,182	130,740	2,859,774	82,247	224,766	203,243	161,627	175,494	802,291	10,106
Inventories.....	219,262,024	13,574,685	48,298,191	22,824,339	60,578,941	15,515,967	10,563,782	2,905,737	45,002,382	559,006
Investments in Government obligations.....	2,833,840	*42,178	1,865,098	264,518	110,862	*70,248	77,944	82,530	320,462	-
Tax-exempt securities.....	19,013,063	*15,528	*18,100,529	459,490	76,020	*12,899	*93,953	52,304	202,339	-
Other current assets.....	31,971,822	1,639,101	14,763,061	2,887,243	2,821,369	2,654,697	951,358	2,351,614	3,903,378	112,308
Loans to stockholders.....	8,852,366	340,335	2,599,712	429,238	1,335,510	772,084	223,975	1,648,585	1,502,927	*13,419
Mortgage and real estate loans.....	12,322,703	408,927	10,836,737	227,880	194,514	51,825	61,821	327,007	213,991	*7,197
Other investments.....	97,851,100	1,999,286	61,515,085	6,848,147	2,900,815	5,883,375	1,604,753	8,980,804	8,118,836	124,498
Depreciable assets.....	331,444,289	15,816,493	73,044,729	66,152,696	34,402,269	20,662,860	9,373,313	67,028,231	44,963,697	842,360
Less: Accumulated depreciation.....	149,916,955	7,736,461	25,832,106	30,265,068	17,871,877	8,846,148	4,588,125	31,072,338	23,705,033	432,685
Depletable assets.....	675,095	60,373	146,460	*172,811	39,367	*86,640	-	*12,524	*46,919	13,082
Less: Accumulated depletion.....	226,045	*15,177	59,690	*38,496	*1,639	*26,904	-	*53,121	*31,017	4,205
Land.....	28,885,636	2,159,366	6,701,187	5,605,180	3,568,859	594,746	460,485	7,336,976	2,438,837	61,636
Intangible assets (amortizable).....	31,397,820	699,867	4,255,885	3,955,324	1,571,272	2,246,912	612,938	9,969,926	8,085,697	43,618
Less: Accumulated amortization.....	8,240,268	226,568	1,022,768	813,791	745,117	487,319	150,489	2,415,586	2,378,630	16,946
Other assets.....	36,831,367	1,564,162	10,782,006	7,314,395	2,112,691	1,496,764	489,852	8,419,331	4,652,168	118,234
Total liabilities.....	826,573,112	39,228,156	291,199,062	89,851,937	113,070,252	48,312,186	27,508,620	85,791,226	121,811,673	2,485,257
Accounts payable.....	115,961,194	5,811,918	40,145,358	17,702,416	7,195,863	9,954,841	4,920,420	6,599,260	23,766,618	465,630
Mortgages, notes, and bonds payable in less than one year.....	108,460,174	3,301,358	27,376,403	5,783,516	50,069,471	3,483,508	2,357,160	5,307,067	10,781,692	350,317
Other current liabilities.....	98,180,251	2,628,653	50,779,302	11,260,714	6,572,529	4,967,321	3,157,854	8,099,523	10,714,356	185,671
Loans from stockholders.....	33,695,315	1,944,140	3,105,680	2,453,077	7,006,022	2,043,155	1,185,184	6,847,722	9,110,334	162,461
Mortgages, notes, and bonds payable in one year or more.....	175,644,243	9,070,622	52,163,177	36,009,273	15,748,861	7,046,806	4,402,301	29,433,218	21,769,984	543,844
Other liabilities.....	77,104,583	1,080,117	49,192,097	6,568,325	1,551,110	2,665,249	1,005,396	8,257,161	6,785,129	92,367
Capital stock.....	41,558,767	2,041,560	7,760,529	3,895,715	6,024,373	3,982,503	2,152,158	8,456,560	7,245,369	208,673
Paid-in or capital surplus.....	93,365,701	3,458,333	32,131,475	10,151,331	6,375,295	7,797,425	3,025,131	10,982,978	19,443,733	254,754
Retained earnings, appropriated.....	1,067,540	*26,876	*382,223	*27,090	102,660	*146,251	90,089	75,938	216,414	-
Retained earnings, unappropriated.....	95,207,230	10,826,784	30,277,944	7,407,875	11,562,819	9,807,569	6,668,927	4,621,093	14,034,220	232,137
Less: Cost of treasury stock.....	13,671,889	962,203	2,115,127	1,607,396	1,897,728	823,464	2,749,294	2,056,176	*50,596	-
Total receipts.....	1,839,081,679	80,930,389	317,717,794	362,102,219	459,664,557	85,587,505	57,824,848	162,097,721	293,157,146	6,902,944
Business receipts.....	1,788,161,720	89,062,017	299,084,496	356,122,758	452,493,539	92,667,126	56,386,578	155,488,239	286,856,968	6,748,036
Interest.....	14,400,904	544,958	8,940,090	564,979	822,518	804,457	405,242	1,180,363	1,138,297	36,209
Interest on Government obligations:										
State and local.....	1,418,682	22,152	1,279,645	45,591	7,707	13,177	9,972	13,448	26,991	*426
Rents.....	4,643,426	215,469	1,396,064	830,258	567,417	242,030	146,528	641,808	603,851	*15,814
Royalties.....	2,081,374	180,556	62,811	79,559	1,902	456,576	*11,883	935,517	352,572	197
Net short-term capital gain reduced by net long-term capital loss.....	117,541	9,493	70,428	7,676	1,395	*1,659	*4,112	9,870	12,907	-
Net long-term capital gain reduced by net short-term capital loss.....	2,548,871	53,592	1,871,973	108,019	71,380	29,513	66,903	167,524	179,966	*1,115
Net gain, noncapital assets.....	1,865,568	97,234	364,359	265,356	358,510	18,115	35,745	461,164	265,085	*2,989
Dividends received from domestic corporations.....	356,986	17,777	196,629	11,788	18,246	67,804	4,979	15,303	24,459	*1,196
Dividends received from foreign corporations.....	288,960	*1,044	56,387	*10,819	*760	86,252	-	111,111	22,588	-
Other receipts.....	23,197,646	726,096	4,394,913	4,055,417	5,320,682	1,200,796	752,906	3,073,375	3,673,462	95,513
Total deductions.....	1,815,375,559	89,252,382	310,420,860	358,594,285	456,981,847	93,130,991	57,022,995	159,726,459	290,245,660	6,858,223
Cost of sales and operations.....	1,270,003,261	63,831,229	199,256,762	270,776,634	387,615,569	56,445,389	36,004,208	63,374,150	192,699,321	5,102,371
Compensation of officers.....	26,930,456	2,271,925	1,027,917	2,219,617	5,377,209	1,261,253	1,703,571	4,735,171	8,333,793	252,583
Repairs.....	9,337,388	460,541	1,376,159	2,121,529	1,179,459	393,470	276,674	2,297,427	1,232,129	18,271
Bad debts.....	6,327,080	292,326	2,896,650	360,718	535,256	407,626	312,783	317,953	1,203,767	13,288
Rent paid on business property.....	50,383,266	1,659,007	7,981,874	6,756,356	5,273,644	6,372,155	2,224,243	10,061,843	10,054,143	90,316
Taxes paid.....	34,354,613	1,786,880	6,328,484	5,422,178	4,970,791	2,195,392	1,189,902	6,977,445	5,483,541	100,919
Interest paid.....	29,680,923	1,399,308	10,563,059	4,042,957	3,534,291	1,289,336	727,903			

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 6—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued							
	Finance, insurance, real estate							
	Total	Banking	Credit agencies other than banks	Security, commodity brokers and services	Insurance	Insurance agents, brokers, and service	Real estate	Holding and other investment companies, except bank holding companies
(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)	
Number of returns, total.....	635,268	10,951	27,218	18,629	9,121	70,763	441,771	56,814
Total assets.....	11,480,469,997	4,162,296,420	1,666,262,082	604,073,850	2,484,983,476	40,391,439	352,540,372	2,169,922,358
Cash.....	493,868,099	316,857,814	70,838,514	14,138,413	23,603,393	7,634,912	21,941,724	38,853,329
Notes and accounts receivable.....	2,560,973,447	1,804,018,611	305,892,267	137,212,727	147,032,634	11,078,974	20,556,719	135,181,516
Less: Allowance for bad debts.....	77,169,405	53,957,317	18,756,798	407,927	2,200,805	236,422	958,498	651,639
Inventories.....	29,140,429	538,182	5,832,166	920,614	3,470,842	3,752	17,403,208	971,664
Investments in Government obligations.....	1,164,785,457	571,249,719	64,907,192	38,463,329	233,117,565	556,587	2,170,270	254,320,795
Tax-exempt securities.....	570,626,867	66,450,663	19,921,871	2,254,726	216,741,799	471,776	820,740	263,965,291
Other current assets.....	865,504,480	205,294,778	79,351,367	214,835,062	270,956,651	2,263,511	21,317,496	71,485,615
Loans to stockholders.....	31,850,176	3,318,319	8,594,568	1,347,010	2,762,437	760,532	5,597,869	9,469,442
Mortgage and real estate loans.....	1,504,618,439	401,931,745	820,512,978	1,858,097	246,364,107	163,069	14,319,377	19,469,066
Other investments.....	3,335,217,997	388,007,493	210,721,945	165,840,120	1,195,489,581	10,329,556	55,067,594	1,309,761,707
Depreciable assets.....	398,548,440	96,906,242	31,015,096	9,482,770	42,486,839	8,165,637	179,004,045	31,487,811
Less: Accumulated depreciation.....	136,502,772	41,238,393	13,370,088	4,578,705	9,453,647	4,713,093	55,011,491	8,137,354
Depletable assets.....	1,766,425	11,552	20,040	*57,039	413,779	*13,568	823,187	427,259
Less: Accumulated depletion.....	488,290	3,315	*3,145	*38,976	182,963	*5,642	190,013	64,237
Land.....	72,414,215	7,811,708	3,361,104	231,145	2,212,643	243,718	52,221,839	6,332,058
Intangible assets (amortizable).....	46,489,919	15,973,219	10,843,417	2,460,210	6,619,903	3,200,523	4,114,936	3,277,711
Less: Accumulated amortization.....	11,747,749	3,297,063	2,140,500	944,182	1,847,174	1,362,085	1,379,877	776,868
Other assets.....	630,573,824	382,422,462	68,720,088	20,942,379	107,395,892	1,822,566	14,721,247	34,549,191
Total liabilities.....	11,480,469,997	4,162,296,420	1,666,262,082	604,073,850	2,484,983,476	40,391,439	352,540,372	2,169,922,358
Accounts payable.....	679,138,554	376,724,252	87,738,049	103,316,841	36,839,426	13,143,945	9,842,120	51,534,121
Mortgages, notes, and bonds payable in less than one year.....	706,272,002	219,562,828	294,494,159	40,328,280	47,799,027	1,975,750	33,257,481	68,854,476
Other current liabilities.....	4,413,306,982	2,783,563,265	676,064,795	370,286,924	516,736,253	4,807,923	19,482,032	42,365,790
Loans from stockholders.....	93,162,891	10,142,155	24,300,774	1,409,449	6,785,108	1,195,843	40,302,781	9,026,782
Mortgages, notes, and bonds payable in one year or more.....	801,769,579	180,449,538	312,996,671	25,331,616	62,265,660	4,057,862	145,035,568	71,632,664
Other liabilities.....	1,837,663,594	207,035,608	160,297,608	30,851,534	1,377,283,080	2,797,467	28,247,673	31,150,624
Capital stock.....	1,365,100,286	66,024,645	15,446,648	5,263,907	23,605,451	1,633,215	35,691,250	1,217,435,170
Paid-in or capital surplus.....	2,234,218,233	166,129,704	62,030,020	14,715,853	174,493,731	4,046,580	79,807,067	1,732,995,277
Retained earnings, appropriated.....	67,406,774	2,311,078	2,911,354	*168,719	41,200,207	120,568	1,794,349	18,900,499
Retained earnings, unappropriated.....	365,241,062	153,922,245	34,208,357	14,606,292	205,397,926	7,822,736	-36,813,265	-13,903,229
Less: Cost of treasury stock.....	1,082,809,960	3,568,899	4,226,353	2,205,366	7,422,391	1,210,452	4,106,684	1,060,069,815
Total receipts.....	1,900,428,224	503,385,674	198,163,360	76,065,875	837,166,068	39,333,370	116,628,578	128,685,301
Business receipts.....	989,306,810	130,071,916	59,022,962	45,515,331	612,989,461	37,216,341	91,079,629	13,411,169
Interest.....	659,196,901	316,198,867	116,298,453	21,663,501	131,605,625	516,267	4,690,437	68,223,753
Interest on Government obligations:								
State and local.....	34,011,101	6,381,609	953,652	215,585	8,536,531	60,916	154,814	17,707,994
Rents.....	35,563,248	10,437,810	1,967,670	705,316	10,748,164	125,587	7,476,706	4,101,994
Royalties.....	745,037	44,774	104,993	20,256	78,070	*16,156	211,016	269,772
Net short-term capital gain reduced by net long-term capital loss.....	12,908,928	222,756	90,328	409,847	5,045,916	37,018	165,847	6,937,216
Net long-term capital gain reduced by net short-term capital loss.....	23,012,736	2,038,542	1,395,677	532,217	14,260,741	391,751	2,807,692	1,586,116
Net gain, noncapital assets.....	9,428,724	5,529,860	2,224,564	331,491	513,189	25,094	645,883	158,643
Dividends received from domestic corporations.....	6,607,821	846,797	503,365	222,735	4,081,662	40,599	250,436	662,227
Dividends received from foreign corporations.....	1,577,874	318,173	58,149	65,886	685,052	134,762	43,638	272,214
Other receipts.....	128,069,045	31,294,568	15,543,549	6,383,711	48,621,656	768,878	9,102,480	16,354,202
Total deductions.....	1,724,307,330	462,194,260	185,759,072	70,613,032	800,995,498	36,652,053	120,647,730	47,445,688
Cost of sales and operations.....	575,172,643	68,745,490	13,210,990	7,459,257	442,220,000	5,564,391	31,743,804	6,228,712
Compensation of officers.....	37,664,728	13,475,752	3,699,996	5,212,372	2,883,665	5,199,237	6,048,019	1,145,688
Repairs.....	6,506,292	2,689,858	729,828	153,263	324,981	211,292	2,235,288	161,782
Bad debts.....	51,747,055	33,940,074	12,315,989	536,049	2,078,069	170,478	1,492,933	1,213,463
Rent paid on business property.....	23,575,229	7,371,767	2,495,087	2,376,283	6,018,448	1,507,639	3,381,406	424,598
Taxes paid.....	35,686,529	8,450,587	2,804,558	1,545,952	14,204,281	1,385,140	6,243,196	1,052,816
Interest paid.....	326,347,417	185,842,411	81,891,038	18,185,798	16,667,631	589,257	12,053,030	11,118,252
Contributions or gifts.....	1,115,864	577,424	135,255	85,758	185,866	32,148	69,375	30,038
Amortization.....	5,808,041	1,955,064	1,189,750	303,078	1,173,571	318,538	546,574	321,467
Depreciation.....	33,658,815	15,077,920	2,999,466	969,380	6,771,230	687,219	5,172,407	1,981,193
Depletion.....	322,334	12,662	21,336	*232	36,012	*27	54,018	198,047
Advertising.....	9,448,057	2,680,503	2,145,764	966,722	1,597,741	370,763	1,486,125	200,438
Pension, profit-sharing, stock bonus, annuity plans.....	6,954,230	1,926,695	614,420	526,704	2,833,209	526,985	395,349	130,868
Employee benefit programs.....	15,787,467	6,492,260	1,656,091	737,936	4,791,318	815,428	961,716	312,719
Net loss, noncapital assets.....	8,466,294	2,558,494	3,970,908	39,731	466,223	27,173	1,060,238	343,527
Other deductions.....	586,066,335	110,397,300	55,878,597	31,514,517	298,743,255	19,246,337	47,704,251	22,582,078
Total receipts less total deductions.....	176,120,894	41,191,414	12,404,289	5,452,843	36,170,568	2,681,317	-4,019,152	82,239,615
Constructive taxable income from related foreign corporations.....	4,869,182	2,476,358						

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS

Table 6—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major Industry—Continued							Nature of business not allocable
	Services							
	Total	Hotels and other lodging places	Personal services	Business services	Auto repair, miscellaneous repair services	Amusement and recreation services	Other services	
(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)	
Number of returns, total.....	1,100,449	25,656	83,043	338,716	133,343	101,091	418,600	19,864
Total assets.....	661,597,099	60,142,405	20,939,887	241,016,524	51,730,140	117,195,376	170,572,767	1,971,824
Cash.....	51,974,881	3,231,436	1,928,757	18,920,190	3,485,529	6,357,258	18,051,811	260,445
Notes and accounts receivable.....	111,207,229	3,439,281	2,862,260	49,802,741	6,514,884	14,520,604	34,067,459	167,691
Less: Allowance for bad debts.....	5,705,688	290,957	64,254	1,469,096	136,963	720,284	3,024,135	*1,813
Inventories.....	21,825,238	536,281	1,415,176	6,393,071	4,125,131	6,026,785	3,328,794	214,486
Investments in Government obligations.....	3,639,445	48,052	*13,787	1,208,276	*84,500	318,521	1,866,309	8,567
Tax-exempt securities.....	2,476,452	*37,785	174,367	937,662	*110,413	81,139	1,135,087	*1,108
Other current assets.....	42,451,528	2,215,390	910,277	17,275,200	2,459,998	9,738,734	9,853,929	131,415
Loans to stockholders.....	10,058,015	1,183,014	289,141	3,285,460	760,985	1,478,535	3,050,881	45,587
Mortgage and real estate loans.....	7,281,768	823,410	104,189	4,143,832	270,698	590,612	1,349,219	*4,627
Other investments.....	126,706,129	10,803,705	1,449,689	56,018,505	2,627,719	28,687,468	29,119,043	261,783
Depreciable assets.....	341,257,909	42,826,031	15,985,030	97,878,008	42,932,252	55,322,445	86,314,142	751,829
Less: Accumulated depreciation.....	156,272,021	14,913,811	8,990,400	50,638,213	17,379,259	26,389,938	37,960,601	266,557
Depletable assets.....	316,236	*8,343	*8,813	99,658	*8,446	*58,523	134,453	*1,109
Less: Accumulated depletion.....	130,909	*1,023	*5,718	33,255	*811	*26,315	63,989	*928
Land.....	21,163,129	6,181,104	957,640	2,485,136	1,789,688	4,910,442	4,859,119	89,195
Intangible assets (amortizable).....	55,341,885	1,355,175	2,164,942	25,093,061	3,318,578	11,974,941	11,435,189	94,132
Less: Accumulated amortization.....	17,345,032	401,800	531,378	7,722,635	389,684	5,283,712	3,015,824	19,903
Other assets.....	45,350,805	3,082,786	2,257,555	17,339,123	1,147,840	11,551,619	9,971,881	229,250
Total liabilities.....	661,597,099	60,142,405	20,939,887	241,016,524	51,730,140	117,195,376	170,572,767	1,971,824
Accounts payable.....	58,974,973	2,496,705	1,188,109	28,204,360	3,881,131	9,618,913	13,585,755	354,281
Mortgages, notes, and bonds payable in less than one year.....	52,778,833	4,430,165	916,183	19,273,370	9,630,161	5,697,556	12,831,398	305,821
Other current liabilities.....	82,532,339	3,361,037	1,710,843	37,760,222	4,914,169	12,393,594	22,392,475	230,100
Loans from stockholders.....	37,857,689	5,411,210	1,826,244	12,455,508	2,549,784	6,830,016	8,784,927	354,974
Mortgages, notes, and bonds payable in one year or more.....	177,398,197	27,815,111	5,113,310	55,153,720	15,828,244	29,545,169	43,944,644	502,179
Other liabilities.....	55,466,702	3,895,067	2,010,270	19,148,497	2,534,685	13,522,215	14,355,987	136,543
Capital stock.....	44,848,738	6,721,447	1,711,479	14,563,416	2,728,568	8,503,229	10,818,600	241,681
Paid-in or capital surplus.....	147,819,149	12,707,333	2,578,439	52,540,933	4,648,460	31,900,273	43,445,710	208,728
Retained earnings, appropriated.....	629,682	17,059	*61,049	220,442	76,347	84,330	170,455	
Retained earnings, unappropriated.....	15,535,710	-5,875,211	4,527,803	7,025,712	5,798,847	1,112,883	3,048,078	-354,892
Less: Cost of treasury stock.....	12,242,913	737,520	701,844	5,329,657	856,233	2,012,600	2,603,259	*5,588
Total receipts.....	889,533,422	42,378,018	37,889,880	318,338,684	81,722,360	91,331,285	289,891,175	2,523,472
Business receipts.....	816,783,759	38,689,192	36,602,168	295,481,871	78,841,321	82,825,742	286,343,468	2,359,756
Interest.....	8,764,552	825,615	388,603	3,368,885	561,656	1,652,009	1,951,783	20,559
Interest on Government obligations:								
State and local.....	518,855	7,835	21,084	310,430	10,900	22,104	146,502	*67
Rents.....	7,358,616	426,371	48,787	3,581,345	1,573,792	728,880	999,441	*10,500
Royalties.....	3,838,103	221,148	129,048	1,381,739	*40,642	1,598,430	467,098	*490
Net short-term capital gain reduced by net long-term capital loss.....	194,716	18,010	*2,623	50,089	17,626	26,730	79,636	111
Net long-term capital gain reduced by net short-term capital loss.....	2,236,305	358,558	137,019	806,044	89,915	214,544	630,225	*14,969
Net gain, noncapital assets.....	3,420,293	59,138	71,662	1,148,614	1,482,235	267,722	390,923	*29,116
Dividends received from domestic corporations.....	310,882	21,879	27,160	120,433	6,995	47,208	87,207	*1,357
Dividends received from foreign corporations.....	812,697	88,993	*28,154	441,744	*5,217	225,907	22,684	
Other receipts.....	25,296,644	1,662,280	417,586	9,630,490	1,092,062	3,722,019	8,772,207	86,547
Total deductions.....	851,122,645	42,930,837	36,606,937	308,417,105	80,477,080	90,508,792	292,181,894	2,610,825
Cost of sales and operations.....	296,026,593	14,359,106	13,299,299	123,653,355	37,981,012	30,965,091	75,768,730	1,412,620
Compensation of officers.....	57,097,838	571,327	2,510,781	18,336,891	3,599,609	4,273,274	27,805,956	111,151
Repairs.....	7,283,431	769,176	449,400	1,745,339	1,161,858	1,031,160	2,126,497	25,188
Bad debts.....	6,321,239	329,946	159,135	1,577,090	261,671	1,060,120	2,933,278	36,057
Rent paid on business property.....	32,060,647	1,440,786	2,118,623	10,172,345	3,488,175	3,426,434	11,434,285	101,956
Taxes paid.....	30,748,570	2,202,057	1,624,938	10,628,713	2,805,113	2,997,901	10,489,851	55,931
Interest paid.....	23,050,166	3,071,145	838,956	7,009,591	2,496,818	3,848,111	5,785,545	59,667
Contributions or gifts.....	315,875	22,034	149,753	149,753	22,640	36,811	74,031	*1,549
Amortization.....	5,540,970	131,807	175,231	1,616,593	180,319	2,407,866	1,029,154	12,579
Depreciation.....	35,004,687	2,235,004	1,310,700	12,307,011	6,762,160	5,623,764	6,766,048	54,526
Depletion.....	34,387	160	*146	9,144	*3	*1,432	23,503	*25
Advertising.....	11,445,596	999,231	730,051	3,978,926	1,076,744	2,287,038	2,373,606	41,406
Pension, profit-sharing, stock bonus, annuity plans.....	5,490,918	63,404	192,965	1,738,243	332,479	273,881	2,889,945	*15,052
Employee benefit programs.....	13,815,532	914,286	400,121	4,731,172	975,975	635,353	6,158,627	15,334
Net loss, noncapital assets.....	1,210,366	155,941	40,491	459,993	58,736	176,032	319,173	*47,876
Other deductions.....	325,675,830	15,676,855	12,734,070	110,302,946	19,293,768	31,464,524	136,203,667	620,327
Total receipts less total deductions.....	18,410,778	-551,819	1,262,953	7,922,579	1,245,280	822,503	7,709,280	-87,352
Constructive taxable income from related foreign corporations.....	633,421	*28,814	15,482	394,810	8,355	160,707	25,254	
Net income (less deficit).....	18,525,343	-530,839	1,257,351	8,006,959	1,242,735	961,106	7,588,032	-87,419
Income subject to tax.....	18,051,952	979,333	1,080,687	6,967,205	1,199,584	2,206,794	5,618,349	21,818
Income tax, total *.....	5,920,338	337,878	332,887	2,291,220	358,213	729,921	1,870,240	3,229
Regular tax.....	5,690,665	318,903	324,807	2,200,343	327,712	712,586	1,806,314	3,155
Personal holding company tax.....	*3,235	3	2,028	(1)	-	*165	*1,038	-
Recapture of investment credit.....	*146	-	-	-	-	-	*146	-
Alternative minimum tax.....	206,278	17,260	5,074	83,447	29,579	14,388	56,530	*74
Environmental tax.....	18,710	1,357	978	6,993	990	2,785	5,608	-
Foreign tax credit.....	554,954	*38,345	13,653	345,867	*626	129,628	26,835	-
U.S. possessions tax credit.....	11,230	4,699	-	3,121	-	269	3,140	318
Orphan drug credit.....	-	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	*240	-	-	-	-	26	*215	-
General business credit.....	107,075	7,205	4,655	48,188	16,645	7,436	22,947	-
Prior year minimum tax credit.....	99,545	*2,061	*2,469	31,297	40,193	4,762	18,762	-
Total income tax after credits.....	5,147,294	285,567	312,090	1,862,747	300,749	587,800	1,798,341	2,911

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

* Less than \$500 per return.

* Also includes excess net passive income tax (Form 1120S), branch tax (Form 1120F), tax from Part II (Form 1120-REIT), tax from Part III (Form 1120-REIT), tax from Part IV (Form 1120-REIT), tax from Line 4, Part II (Form 1120-RIC), and adjustments to income tax and to total tax which are not shown separately.

NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME

Table 7--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry

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

Item	Major industry						
	All Industries	Agriculture, forestry, and fishing	Mining				Nonmetallic minerals, except fuels
			Total	Metal mining	Coal mining	Oil and gas extraction	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of returns, total.....	2,063,593	79,399	15,824	184	508	13,429	1,708
Total assets.....	16,076,163,424	44,832,321	116,414,880	22,742,388	14,310,377	65,394,486	12,987,428
Cash.....	656,218,778	3,618,955	5,843,330	1,195,640	454,495	3,372,938	820,257
Notes and accounts receivable.....	3,454,701,699	4,528,377	12,758,044	2,114,550	2,244,722	7,044,230	1,354,542
Less: Allowance for bad debts.....	89,432,635	23,440	119,019	6,461	*5,675	74,601	32,281
Inventories.....	667,220,115	5,512,593	3,727,739	876,030	502,026	1,554,273	795,410
Investments in Government obligations.....	1,131,899,406	137,236	645,853	15,718	*81,542	402,380	*146,213
Tax-exempt securities.....	434,180,172	216,293	279,133	*5,269	*107,381	125,372	*41,111
Other current assets.....	1,009,005,485	1,545,311	5,279,829	1,398,505	681,715	2,452,285	747,325
Loans to stockholders.....	55,750,524	1,268,838	573,107	*32,944	*14,058	470,635	55,471
Mortgage and real estate loans.....	1,366,327,995	351,873	80,463	*708	*1,039	69,972	*8,743
Other investments.....	4,122,363,012	3,523,640	31,831,232	8,228,747	2,588,743	17,692,245	3,321,497
Depreciable assets.....	3,525,763,285	33,078,810	62,976,629	9,671,356	8,435,664	35,823,245	9,046,364
Less: Accumulated depreciation.....	1,606,822,220	21,535,808	33,645,908	3,824,096	4,633,916	19,745,093	5,442,804
Depletable assets.....	96,582,432	365,922	27,097,160	2,075,213	1,406,063	22,629,475	986,408
Less: Accumulated depletion.....	46,317,308	149,915	11,792,182	564,057	263,401	10,828,340	136,384
Land.....	135,181,958	10,363,769	2,644,125	337,011	740,621	885,644	680,849
Intangible assets (amortizable).....	359,467,090	308,335	4,735,785	542,010	1,486,232	2,443,909	263,634
Less: Accumulated amortization.....	84,351,280	78,926	1,884,664	175,576	534,199	1,135,769	39,119
Other assets.....	888,424,917	1,600,458	4,384,022	818,877	1,003,270	2,211,685	350,191
Total liabilities.....	16,076,163,424	44,832,321	116,414,880	22,742,388	14,310,377	65,394,486	12,987,428
Accounts payable.....	1,254,216,935	2,333,530	8,016,754	2,047,113	875,017	4,239,239	855,386
Mortgages, notes, and bonds payable in less than one year.....	1,188,218,125	5,808,379	7,155,701	1,172,209	338,575	4,089,398	1,555,518
Other current liabilities.....	4,421,679,947	1,863,558	6,360,323	1,261,047	883,677	3,486,087	729,511
Loans from stockholders.....	139,832,790	2,471,420	1,636,030	464,049	122,080	188,778	162,703
Mortgages, notes, and bonds payable in one year or more.....	1,862,618,855	8,799,205	20,380,978	2,875,095	3,485,999	12,036,499	1,983,385
Other liabilities.....	2,258,110,898	1,986,266	12,840,996	3,098,838	3,789,793	5,237,273	715,093
Capital stock.....	1,485,915,026	5,473,596	5,264,892	683,665	250,138	3,639,270	691,820
Paid-in or capital surplus.....	2,824,396,048	3,703,720	50,759,238	9,787,442	3,680,336	35,031,318	2,260,142
Retained earnings, appropriated.....	54,323,205	187,870	158,562	14,764	*44	*91,828	*52,128
Retained earnings, unappropriated.....	1,686,683,738	13,244,501	6,608,996	1,457,561	1,025,601	-452,476	4,578,310
Less: Cost of treasury stock.....	1,099,833,142	1,219,524	3,767,791	*119,396	140,884	2,890,946	616,565
Total receipts.....	8,881,150,043	88,183,742	81,034,233	8,324,088	11,528,626	31,834,085	9,648,634
Business receipts.....	7,755,632,959	63,626,585	54,119,901	7,668,188	10,443,862	26,931,884	9,075,967
Interest.....	673,002,960	358,116	1,633,259	198,105	190,841	988,975	155,339
Interest on Government obligations:							
State and local.....	25,157,006	21,215	20,368	*1,073	6,432	11,360	1,503
Rents.....	77,212,383	402,936	244,590	13,915	26,901	174,159	29,616
Royalties.....	34,791,191	87,793	360,645	*36,207	90,942	211,338	22,158
Net short-term capital gain reduced by net long-term capital loss.....	12,490,850	10,593	42,124	111	*9,654	31,152	*1,207
Net long-term capital gain reduced by net short-term capital loss.....	35,517,840	547,916	858,871	65,231	223,520	537,858	32,262
Net gain, noncapital assets.....	24,147,681	440,627	526,631	28,735	63,430	378,291	56,175
Dividends received from domestic corporations.....	10,877,979	67,446	94,285	*26,932	14,195	32,632	20,525
Dividends received from foreign corporations.....	26,631,072	57,122	167,831	*12,499	5,901	137,949	*11,481
Other receipts.....	215,688,123	2,563,394	3,065,728	273,091	450,849	2,198,488	143,301
Total deductions.....	8,321,559,544	63,827,439	54,508,428	7,503,001	10,727,722	27,418,320	8,859,392
Cost of sales and operations.....	4,983,207,368	37,526,202	30,137,991	4,498,938	6,974,667	13,301,119	5,363,268
Compensation of officers.....	159,427,463	2,179,257	943,818	40,523	84,014	604,503	214,778
Repairs.....	70,597,322	1,240,059	694,663	109,635	188,776	161,838	234,415
Bad debts.....	60,670,934	148,013	82,052	*21,044	9,679	30,498	20,831
Rent paid on business property.....	131,724,002	1,895,803	496,199	30,658	78,751	299,144	87,646
Taxes paid.....	205,955,859	1,496,314	2,155,257	229,274	631,433	1,006,460	288,089
Interest paid.....	454,499,186	1,353,089	2,582,701	434,491	317,577	1,574,321	256,314
Contributions or gifts.....	5,413,541	31,691	41,260	5,504	3,798	23,853	8,106
Amortization.....	22,037,256	71,692	294,694	111,121	51,863	112,758	18,951
Depreciation.....	255,024,232	2,292,781	3,467,253	590,571	483,724	1,803,110	589,848
Depletion.....	6,693,533	29,879	2,125,595	574,576	395,420	955,702	199,898
Advertising.....	102,055,102	255,434	90,871	*4,111	4,175	45,959	36,627
Pension, profit-sharing, stock bonus, and annuity plans.....	37,865,421	140,548	272,396	13,673	40,283	148,960	69,480
Employee benefit programs.....	103,547,167	489,097	822,507	48,890	338,056	264,411	171,151
Net loss, noncapital assets.....	6,915,387	69,553	77,253	20,938	1,163	52,624	2,528
Other deductions.....	1,715,925,772	14,408,027	10,223,913	769,054	1,124,345	7,033,061	1,297,453
Total receipts less total deductions.....	569,590,499	4,556,303	6,525,808	821,087	798,803	4,215,765	690,152
Constructive taxable income from related foreign corporations.....	25,997,887	*90,008	183,380	10,673	-	172,098	609
Net income.....	570,431,380	4,625,097	6,688,820	830,686	792,372	4,376,504	689,258
Income subject to tax.....	376,866,773	2,011,473	4,264,380	681,191	562,682	2,624,498	396,008
Income tax, total ²	130,394,944	560,589	1,621,330	292,902	229,728	949,345	149,356
Regular tax.....	125,412,367	541,164	1,426,867	232,473	190,031	876,487	127,876
Personal holding company tax.....	20,343	69	*542	-	-	*542	-
Recapture of investment credit.....	-	24,647	*6	-	-	*6	1
Alternative minimum tax.....	4,352,328	17,581	187,681	58,876	38,819	68,284	21,702
Environmental tax.....	492,298	1,011	7,209	1,505	1,102	4,008	595
Foreign tax credit.....	21,489,532	42,801	599,700	132,853	3,686	456,890	*6,272
U.S. possessions tax credit.....	3,748,561	3,944	-	-	-	-	-
Orphan drug credit.....	17,826	-	-	-	-	-	-
Nonconventional source fuel credit.....	233,331	39	20,042	-	172	19,869	-
General business credit.....	1,900,434	13,243	21,221	72	*600	18,940	*1,609
Prior year minimum tax credit.....	2,177,873	6,352	47,459	2,552	11,291	31,412	*2,205
Total income tax after credits.....	100,827,387	494,209	932,908	157,426	213,978	422,234	139,270

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME

Table 7—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major Industry—Continued								
	Construction				Food and kindred products			Manufacturing	
	Total	General building contractors and operative builders	Heavy construction contractors	Special trade contractors	Total	Food and kindred products	Tobacco manufactures	Textile mill products	Apparel and other textile products
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Number of returns, total.....	224,509	89,502	10,435	124,572	188,381	9,479	***	3,803	7,915
Total assets.....	160,582,879	73,988,391	40,810,353	45,753,935	3,031,228,706	297,018,811	***	39,408,169	34,732,738
Cash.....	19,351,609	7,963,634	4,581,035	6,806,940	79,283,686	6,839,103	***	1,330,036	1,669,151
Notes and accounts receivable.....	44,058,618	17,321,687	8,964,085	17,772,847	659,650,782	81,577,698	***	7,762,466	7,354,453
Less: Allowance for bad debts.....	312,465	68,285	103,369	140,811	12,027,864	611,016	***	193,773	192,458
Inventories.....	18,057,344	12,878,935	1,398,053	3,780,357	264,335,436	26,668,457	***	7,443,361	9,184,952
Investments in Government obligations.....	1,507,628	762,733	599,480	145,415	22,849,523	2,304,356	***	812,074	88,004
Tax-exempt securities.....	1,339,052	105,819	997,496	235,737	16,938,365	528,210	***	142,128	*20,707
Other current assets.....	14,843,439	8,897,099	2,299,373	3,646,967	135,863,757	9,669,009	***	986,396	1,581,713
Loans to stockholders.....	3,252,500	1,022,845	1,141,382	1,088,273	13,920,006	1,166,934	***	172,919	148,330
Mortgage and real estate loans.....	6,246,257	6,008,245	74,668	163,344	23,109,387	46,661	***	*13,957	14,913
Other investments.....	19,230,943	8,120,142	9,252,639	1,858,162	787,895,898	68,372,055	***	3,884,399	6,851,452
Depreciable assets.....	64,183,359	15,119,333	23,409,047	25,654,979	1,324,407,788	112,250,841	***	24,765,069	9,860,436
Less: Accumulated depreciation.....	40,262,087	8,405,969	14,771,102	17,085,016	688,295,591	51,561,640	***	13,177,645	4,928,209
Depletable assets.....	394,363	*126,492	223,152	*44,718	56,499,481	*79,370	***	*44,220	-
Less: Accumulated depletion.....	161,747	*43,587	84,529	*33,631	29,000,535	*16,607	***	*11,088	-
Land.....	3,996,656	2,338,095	826,301	832,260	35,658,550	4,325,618	***	328,555	229,159
Intangible assets (amortizable).....	1,089,921	389,151	264,296	436,474	204,391,922	21,659,339	***	1,463,078	1,649,323
Less: Accumulated amortization.....	343,630	119,079	80,777	143,774	49,671,112	2,319,150	***	299,438	397,933
Other assets.....	4,080,921	1,571,102	1,819,124	690,694	185,419,225	16,040,374	***	3,939,455	1,598,747
Total liabilities.....	160,582,879	73,988,391	40,810,353	45,753,935	3,031,228,706	297,018,811	***	39,408,169	34,732,738
Accounts payable.....	28,036,990	14,787,115	4,886,867	8,363,009	337,229,893	68,976,300	***	3,725,173	4,019,834
Mortgages, notes, and bonds payable in less than one year.....	15,851,618	10,134,272	1,975,831	3,741,516	245,849,947	21,865,727	***	2,557,862	3,298,601
Other current liabilities.....	20,213,386	10,533,609	3,706,813	5,972,964	228,471,412	19,366,026	***	2,389,984	3,155,207
Loans from stockholders.....	5,147,724	2,646,784	828,069	1,672,871	48,239,182	2,602,084	***	331,147	771,272
Mortgages, notes, and bonds payable in one year or more.....	22,287,017	13,282,925	4,523,670	4,480,422	561,130,417	54,420,300	***	8,437,452	6,704,740
Other liabilities.....	8,602,483	2,952,778	4,244,797	1,404,907	407,940,722	21,120,535	***	4,042,515	1,467,874
Capital stock.....	5,199,118	1,534,014	1,799,666	1,865,437	119,931,463	12,340,859	***	1,323,031	1,522,788
Paid-in or capital surplus.....	12,720,840	3,662,559	7,417,230	1,641,051	505,027,582	43,465,354	***	5,174,851	4,045,607
Retained earnings, appropriated.....	88,690	37,011	*11,380	*40,299	3,873,301	725,372	***	6,748	*1,622
Retained earnings, unappropriated.....	45,256,995	15,336,862	12,229,047	17,691,087	678,576,727	69,518,663	***	11,862,774	10,612,935
Less: Cost of treasury stock.....	2,852,181	919,538	813,016	1,119,628	105,041,939	17,381,619	***	445,368	867,742
Total receipts.....	354,878,289	155,015,511	62,400,890	137,282,869	2,820,598,479	339,818,850	***	55,238,158	60,222,842
Business receipts.....	346,557,630	150,923,529	59,887,195	135,746,906	2,629,320,605	325,231,541	***	54,328,778	58,648,394
Interest.....	2,004,500	1,305,586	485,645	213,270	50,782,404	2,978,063	***	194,937	332,310
Interest on Government obligations:									
State and local.....	116,208	50,336	39,316	26,555	1,437,414	54,361	***	14,906	29,171
Rents.....	712,803	405,396	182,972	124,435	28,152,338	813,685	***	46,980	48,843
Royalties.....	40,114	*4,962	30,997	*4,155	28,178,160	2,736,441	***	63,375	333,691
Net short-term capital gain reduced by net long-term capital loss.....	50,546	18,284	22,297	9,965	443,039	45,624	***	6,322	*7,654
Net long-term capital gain reduced by net short-term capital loss.....	461,470	177,537	155,242	128,692	8,068,765	612,488	***	26,472	22,965
Net gain, noncapital assets.....	685,624	177,355	275,392	232,877	6,639,423	253,983	***	64,844	21,709
Dividends received from domestic corporations.....	98,821	25,023	48,806	24,991	2,850,743	572,195	***	14,280	6,457
Dividends received from foreign corporations.....	132,147	*27,482	103,005	*1,660	22,187,821	2,301,981	***	74,752	165,848
Other receipts.....	3,819,407	1,900,022	1,170,023	749,362	42,537,767	4,218,488	***	400,512	605,800
Total deductions.....	340,892,674	149,432,285	59,996,950	131,463,439	2,651,708,894	321,431,335	***	51,725,911	56,218,238
Cost of sales and operations.....	263,094,707	123,669,232	46,553,115	92,872,360	1,751,765,604	219,852,183	***	40,023,123	41,277,169
Compensation of officers.....	11,866,687	4,011,465	1,162,523	6,692,699	30,432,021	2,372,300	***	792,204	1,563,422
Repairs.....	1,517,095	317,815	481,492	717,788	22,267,757	2,601,224	***	230,919	173,753
Bad debts.....	496,149	124,297	88,164	283,688	7,037,565	325,132	***	116,087	142,499
Rent paid on business property.....	3,125,844	848,528	701,243	1,576,073	26,140,070	2,609,558	***	328,146	732,194
Taxes paid.....	7,195,693	2,031,509	1,102,672	4,061,512	71,312,868	7,753,677	***	1,174,803	1,308,396
Interest paid.....	3,479,988	1,897,846	731,997	850,146	84,709,540	7,609,537	***	939,308	1,044,538
Contributions or gifts.....	105,712	40,203	30,703	34,807	2,514,750	331,304	***	41,582	38,156
Amortization.....	135,475	61,939	28,279	45,258	8,294,344	813,805	***	100,577	75,390
Depreciation.....	5,498,361	1,164,062	1,885,419	2,448,880	92,363,825	7,722,100	***	1,721,655	797,894
Depletion.....	41,332	6,589	28,290	6,453	3,539,434	11,955	***	2,432	*2
Advertising.....	995,136	397,821	58,153	539,162	52,291,387	14,967,012	***	307,164	999,656
Pension, profit-sharing, stock bonus, and annuity plans.....	1,694,319	438,823	312,942	942,554	14,677,685	1,319,716	***	262,350	230,370
Employee benefit programs.....	2,943,476	733,350	483,948	1,726,178	44,235,994	4,328,718	***	732,626	557,611
Net loss, noncapital assets.....	85,788	28,409	29,635	27,743	1,433,354	78,204	***	9,107	6,648

Corporation Returns/1992

RETURNS WITH NET INCOME

Table 7--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued								
	Manufacturing--Continued								
	Lumber and wood products	Furniture and fixtures	Paper and allied products	Printing and publishing	Chemical and allied products	Petroleum (including integrated) and coal products	Rubber and miscellaneous plastics products	Leather and leather products	Stone, clay, and glass products
(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	
Number of returns, total.....	12,792	5,410	1,910	30,000	7,045	873	7,671	1,268	5,590
Total assets.....	60,335,374	17,253,929	91,214,795	177,973,456	433,244,379	519,577,151	36,402,382	18,915,904	32,537,910
Cash.....	2,023,997	815,086	1,121,654	5,907,694	13,522,171	1,799,146	1,626,862	362,705	1,391,111
Notes and accounts receivable.....	5,526,280	4,415,997	9,908,741	24,730,785	78,214,455	60,050,308	7,367,329	4,215,656	5,633,763
Less: Allowance for bad debts.....	110,808	121,518	328,318	1,926,732	1,444,360	704,348	209,982	51,802	210,917
Inventories.....	6,413,537	3,458,638	8,314,378	8,395,401	36,453,549	16,516,759	5,837,425	2,772,984	3,497,546
Investments in Government obligations.....	337,493	*26,546	390,924	739,031	1,169,281	305,969	89,608	*35,874	110,318
Tax-exempt securities.....	850,626	*64,428	185,655	556,732	2,381,554	*269,358	*54,653	16,262	47,856
Other current assets.....	2,912,267	709,425	6,744,134	7,475,228	14,492,355	20,979,613	1,287,141	653,082	1,164,788
Loans to stockholders.....	132,954	39,680	218,292	993,770	5,490,809	894,370	167,511	*9,549	95,133
Mortgage and real estate loans.....	2,425,835	*17,749	*2,304,417	90,117	354,723	*51,040	*26,929	592	14,123
Other investments.....	10,642,661	1,818,237	18,903,092	70,937,223	128,156,705	222,126,471	4,378,429	594,903	6,753,212
Depreciable assets.....	36,426,704	9,312,827	65,242,996	63,242,192	183,117,415	282,312,018	25,574,687	5,389,273	24,382,540
Less: Accumulated depreciation.....	20,165,741	5,078,575	29,916,833	33,312,274	87,980,360	149,337,468	13,372,040	3,041,379	14,188,855
Depletable assets.....	4,450,153	*1,061	1,963,300	*137,707	6,427,434	41,609,713	*49,764	*1,064	596,801
Less: Accumulated depletion.....	163,418	623	468,134	*98,733	3,967,788	23,700,538	*14,858	*65	87,264
Land.....	921,583	239,858	918,348	1,880,242	4,326,878	6,677,911	446,517	5,221,578	1,117,863
Intangible assets (amortizable).....	358,510	1,174,537	1,645,139	20,939,330	25,970,098	40,582,715	1,627,720	589,885	1,056,266
Less: Accumulated amortization.....	105,422	197,177	499,133	4,557,783	5,379,418	21,966,702	458,596	149,344	296,527
Other assets.....	7,458,165	557,753	4,566,143	11,843,525	31,938,878	21,110,818	1,923,261	295,090	1,461,151
Total liabilities.....	60,335,374	17,253,929	91,214,795	177,973,456	433,244,379	519,577,151	36,402,382	18,915,904	32,537,910
Accounts payable.....	3,928,318	2,145,464	8,864,155	10,522,793	45,351,984	43,991,099	3,960,177	1,283,082	2,344,196
Mortgages, notes, and bonds payable in less than one year.....	3,519,806	877,987	5,476,153	7,168,248	26,557,688	26,436,152	2,294,862	502,419	1,834,883
Other current liabilities.....	4,145,689	1,627,329	11,490,848	14,739,404	36,749,257	32,556,240	3,062,832	1,628,694	2,076,773
Loans from stockholders.....	532,535	198,197	1,283,359	2,439,283	8,582,234	6,738,844	660,572	134,389	354,055
Mortgages, notes, and bonds payable in one year or more.....	15,303,950	3,299,437	17,442,796	44,801,445	76,321,418	76,318,793	7,431,698	6,651,682	7,074,034
Other liabilities.....	9,748,384	935,653	8,433,534	13,939,719	56,775,425	87,301,732	3,752,236	4,896,992	3,234,147
Capital stock.....	1,511,632	867,015	3,972,437	8,232,520	19,221,365	17,015,430	1,658,800	891,374	1,525,216
Paid-in or capital surplus.....	8,550,318	1,780,841	10,116,816	46,043,653	76,735,003	125,500,979	4,113,798	577,975	5,749,480
Retained earnings, appropriated.....	*91,300	*707	*64,039	*36,233	742,154	461,168	*25,988	122	*103,025
Retained earnings, unappropriated.....	13,506,530	5,765,161	26,401,757	34,999,349	106,011,914	138,819,691	9,920,741	596,732	10,361,157
Less: Cost of treasury stock.....	503,087	243,863	2,331,100	5,540,582	19,804,064	25,562,977	479,342	247,556	2,119,055
Total receipts.....	69,173,446	30,172,996	84,787,590	153,251,290	370,415,767	428,761,134	69,085,888	18,421,227	38,708,620
Business receipts.....	66,515,743	29,383,481	81,284,881	145,409,458	342,893,016	405,219,137	57,351,632	17,739,970	35,293,301
Interest.....	1,098,772	99,714	997,497	2,033,201	6,059,881	7,443,822	274,551	312,053	193,760
Interest on Government obligations:									
State and local.....	10,103	10,541	23,203	48,707	138,952	34,340	11,530	4,615	5,193
Rents.....	85,645	23,279	204,295	556,293	854,077	2,336,732	60,332	26,008	93,119
Royalties.....	55,598	70,728	636,179	1,642,503	4,849,870	1,260,956	149,486	33,648	274,515
Net short-term capital gain reduced by net long-term capital loss.....	32,499	*4,534	*871	45,742	64,735	19,078	*3,687	*173	*797
Net long-term capital gain reduced by net short-term capital loss.....	372,726	186,751	301,128	406,643	3,093,921	386,630	151,636	52,786	60,839
Net gain, noncapital assets.....	110,689	26,196	82,564	209,185	913,896	1,427,919	153,920	792	112,829
Dividends received from domestic corporations.....	21,553	5,582	62,490	134,172	391,656	535,857	12,530	3,704	64,327
Dividends received from foreign corporations.....	58,458	111,035	473,586	324,047	4,664,072	3,256,323	297,215	17,370	135,981
Other receipts.....	811,659	251,155	720,896	2,441,339	6,491,691	7,840,340	619,369	230,108	471,959
Total deductions.....	68,161,598	28,384,200	80,233,715	142,430,069	337,484,833	412,581,703	55,363,500	17,775,901	34,267,882
Cost of sales and operations.....	48,541,022	20,122,083	52,051,967	70,829,241	194,690,257	312,997,515	37,892,181	12,187,031	21,951,111
Compensation of officers.....	1,081,150	523,155	826,995	4,030,812	2,677,141	451,262	1,283,119	303,253	665,458
Repairs.....	1,058,774	93,351	1,383,852	902,388	3,666,859	4,442,667	568,155	53,829	662,822
Bad debts.....	108,002	91,593	152,885	989,513	641,215	435,448	129,626	35,259	146,305
Rent paid on business property.....	523,190	340,520	697,082	2,558,487	3,530,920	3,508,500	579,640	300,943	353,834
Taxes paid.....	1,471,003	756,408	1,781,016	4,277,509	6,763,177	18,539,586	1,237,201	498,259	952,296
Interest paid.....	1,771,771	433,613	2,066,479	4,771,566	9,889,656	12,545,036	1,043,432	673,141	794,935
Contributions or gifts.....	26,008	18,525	62,882	270,686	564,787	277,708	22,021	12,308	24,054
Amortization.....	58,628	41,033	170,744	1,760,616	1,297,376	1,099,851	127,048	31,700	93,024
Depreciation.....	1,953,040	633,329	4,426,455	5,022,674	12,155,515	11,471,645	1,871,241	329,829	1,357,948
Depletion.....	458,705	*573	173,525	*13,834	303,204	2,168,114	*5,063	94,376	82,067
Advertising.....	305,867	413,530	699,467	3,212,972	12,596,302	887,096	622,063	319,064	220,476
Pension, profit-sharing, stock bonus, and annuity plans.....	365,643	177,335	597,110	1,157,368	2,166,139	1,263,422	339,947	55,182	235,538
Employee benefit programs.....	663,389	508,102	1,699,629	3,004,807	6,629,867	2,855,911	1,170,213	189,987	742,747
Net loss, noncapital assets.....	15,606	8,084	127,451	116,316	124,283	180,216	26,816	8,251	11,209
Other deductions.....	7,759,801	4,232,966	13,316,175	39,511,280	79,788,135	39,457,719	8,445,734	2,683,488	5,974,059
Total receipts less total deductions.....	3,011,848	1,778,796	4,553,876	10,821,221	32,930,934	17,179,430	3,722,388	645,326	2,438,738
Constructive taxable income from related foreign corporations.....	12,999	64,643	586,642	229,678	4,219,948	3,434,834	219,596	9,225	*116,463
Net income.....	3,014,745	1,832,898	5,117,314	11,002,192	37,011,929	20,579,924	3,930,454	649,937	2,550,007
Income subject to tax.....	1,865,220	1,312,294	4,284,100	8,187,866	33,480,757	19,789,053	2,508,369	432,406	1,714,870
Income tax total:	689,598	445,475	1,638,695	2,799,148	11,720,966	6,911,310	861,263	170,160	596,908
Regular tax.....	612,097	437,570	1,452,349	2,743,682	11,387,001	6,727,469	838,680	144,040	572,529
Personal holding company tax.....	(*)	-	-	-	-	-	-	-	-
Recapture of investment credit.....	*1	-	20	*22	160	267	*17	-	6
Alternative minimum tax.....	74,351	5,926	179,021	44,788	290,246	155,052	18,344	24,193	22,703
Environmental tax.....	2,475	1,516	6,935	10,225	42,792	28,290	2,631	587	2,027
Foreign tax credit.....	5,566	56,727	400,325	322,993	3,378,382	4,377,392	221,362	3,973	93,983
U.S. possessions tax credit.....	-	106	4,700	5,224	2,174,742	10,000	13,732	15,100	8,227
Orphan drug credit.....	-	-	-	-	17,581	-	-	-	-
Nonconventional source fuel credit.....	*6,306	-	27	*4	*248	126,969	23	-	9
General business credit.....	7,652	3,958	16,216	27,748	256,656	117,746	7,849	4,500	11,926
Prior year minimum tax credit.....	15,034	*4,969	5,090	27,471	34,832	31,434	22,208	2,812	4,406
Total income tax after credits.....	655,040	379,715	1,212,337	2,415,708	5,858,526	2,247,770	596,089	143,776	478,357

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME

Table 7—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued							
	Manufacturing—Continued							
	Primary metal industries	Fabricated metal products	Machinery, except electrical	Electrical and electronic equipment	Motor vehicles and equipment	Transportation equipment, except motor vehicles	Instruments and related products	Miscellaneous manufacturing and manufacturing not allocable
(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	
Number of returns, total.....	2,230	26,036	16,328	11,288	891	2,700	4,056	***
Total assets.....	48,043,665	93,117,498	164,498,900	358,047,913	166,031,382	98,026,821	88,871,745	***
Cash.....	1,991,780	4,792,292	6,179,327	12,560,459	1,632,953	6,491,485	4,022,686	***
Notes and accounts receivable.....	10,610,830	19,990,914	43,968,009	117,283,383	62,786,592	19,878,040	21,185,891	***
Less: Allowance for bad debts.....	186,429	419,516	1,067,957	2,530,070	160,140	468,970	376,804	***
Inventories.....	7,031,636	15,046,121	23,114,325	28,959,118	8,267,829	18,797,381	12,026,590	***
Investments in Government obligations.....	75,346	313,347	960,910	11,120,401	*3,298,817	221,685	161,045	***
Tax-exempt securities.....	*10,146	231,120	784,109	8,254,176	*721,306	357,448	330,442	***
Other current assets.....	1,485,025	3,354,342	10,787,775	32,304,356	5,561,722	3,341,333	4,771,228	***
Loans to stockholders.....	71,618	320,394	2,291,474	499,223	123,546	569,630	142,298	***
Mortgage and real estate loans.....	*14,575	103,609	93,997	2,667,805	13,829,668	*223,593	90,279	***
Other investments.....	5,402,933	14,718,349	20,742,370	51,534,593	35,393,067	13,866,277	14,108,088	***
Depreciable assets.....	29,870,932	50,440,952	85,810,164	131,494,367	54,983,061	51,041,503	40,233,331	***
Less: Accumulated depreciation.....	14,896,089	28,701,652	50,603,471	71,370,240	32,551,467	26,268,689	20,471,346	***
Depletable assets.....	616,061	114,860	*53,609	*68,290	632	*136,724	*155	***
Less: Accumulated depletion.....	*251,924	*79,134	6,186	*19,265	455	*28,480	*8	***
Land.....	586,163	1,192,019	1,731,508	1,856,982	547,871	1,038,494	971,091	***
Intangible assets (amortizable).....	3,974,441	5,250,188	8,316,542	12,034,325	3,113,659	3,098,580	6,124,472	***
Less: Accumulated amortization.....	356,475	675,039	1,941,886	2,772,969	337,171	262,860	1,559,791	***
Other assets.....	2,993,096	7,124,334	13,285,280	24,102,978	8,819,892	5,993,647	7,112,098	***
Total liabilities.....	49,043,665	93,117,498	164,498,900	358,047,913	166,031,382	98,026,821	88,871,745	***
Accounts payable.....	5,843,378	9,074,394	17,336,453	33,353,907	21,154,881	10,186,288	10,089,688	***
Mortgages, notes, and bonds payable in less than one year.....	2,182,402	6,347,964	18,735,643	67,551,403	30,276,619	3,479,136	5,221,267	***
Other current liabilities.....	4,830,044	7,533,578	13,819,492	24,062,740	5,950,996	20,975,391	9,403,712	***
Loans from stockholders.....	872,606	1,386,278	1,600,985	1,476,612	1,245,922	574,095	931,504	***
Mortgages, notes, and bonds payable in one year or more.....	10,133,551	15,752,265	30,783,227	44,897,668	37,494,554	16,631,756	16,226,000	***
Other liabilities.....	5,464,280	8,015,026	19,605,966	89,503,535	27,192,293	15,721,162	6,557,096	***
Capital stock.....	2,886,638	4,172,803	14,701,916	9,651,048	4,012,879	3,891,942	3,885,579	***
Paid-in or capital surplus.....	7,652,008	14,085,857	18,059,642	30,743,900	21,272,347	5,679,033	13,675,821	***
Retained earnings, appropriated.....	*65,742	38,196	86,160	17,681	732	*251,148	978,156	***
Retained earnings, unappropriated.....	9,943,946	29,831,868	34,793,182	63,750,923	18,443,663	23,533,680	26,281,200	***
Less: Cost of treasury stock.....	830,930	3,120,731	5,022,766	6,961,505	1,013,503	2,896,809	4,378,277	***
Total receipts.....	59,296,358	127,188,180	184,489,371	260,959,966	118,460,879	128,460,262	94,308,723	***
Business receipts.....	57,565,058	123,592,756	155,109,242	230,479,009	106,101,638	119,600,513	87,672,492	***
Interest.....	368,829	631,046	2,450,220	10,421,159	6,561,611	2,321,381	855,337	***
Interest on Government obligations:								
State and local.....	5,996	32,827	183,796	583,566	79,264	21,273	53,332	***
Rents.....	47,516	316,185	7,295,088	8,048,925	3,952,568	1,134,769	1,065,488	***
Royalties.....	204,343	366,265	11,292,926	1,962,642	99,856	136,966	1,071,368	***
Net short-term capital gain reduced by net long-term capital loss.....	2,591	5,481	9,684	108,952	20,542	25,006	32,422	***
Net long-term capital gain reduced by net short-term capital loss.....	95,203	324,684	511,046	812,622	121,347	129,374	241,817	***
Net gain, noncapital assets.....	248,501	233,778	218,734	1,418,992	547,966	275,340	183,080	***
Dividends received from domestic corporations.....	14,725	68,679	83,843	317,327	66,173	75,518	37,482	***
Dividends received from foreign corporations.....	235,427	355,218	3,905,036	1,470,403	292,667	1,427,611	1,482,866	***
Other receipts.....	508,164	1,261,069	3,429,753	5,336,370	617,248	3,312,511	1,613,039	***
Total deductions.....	58,796,801	119,320,336	173,106,657	245,078,532	115,382,245	121,828,984	86,610,949	***
Cost of sales and operations.....	44,115,100	84,657,628	104,789,255	149,356,814	80,540,316	92,935,472	51,259,934	***
Compensation of officers.....	650,267	3,797,448	2,471,510	2,824,151	448,600	707,584	1,147,450	***
Repairs.....	564,707	577,236	973,647	1,599,120	1,275,195	654,225	317,490	***
Bad debts.....	73,278	317,456	451,975	1,691,168	524,197	194,800	174,077	***
Rent paid on business property.....	358,861	1,032,157	2,195,024	3,045,822	750,421	851,665	745,845	***
Taxes paid.....	1,169,259	3,082,633	3,832,033	5,435,258	1,814,261	2,064,682	1,777,868	***
Interest paid.....	1,119,509	2,260,001	4,484,913	12,362,975	6,286,992	2,526,212	2,295,139	***
Contributions or gifts.....	22,649	58,973	179,342	156,991	26,886	81,782	117,531	***
Amortization.....	112,591	202,289	482,539	695,525	140,700	138,911	334,995	***
Depreciation.....	1,886,664	3,260,315	6,120,066	14,449,743	8,028,919	2,303,736	2,856,234	***
Depletion.....	166,403	4,479	11,396	*4,077	2,810	25,379	7	***
Advertising.....	91,600	1,177,471	1,829,895	2,879,118	910,351	249,751	2,104,584	***
Pension, profit-sharing, stock bonus, and annuity plans.....	465,054	760,752	1,198,738	1,597,358	235,457	704,843	921,453	***
Employee benefit programs.....	1,153,504	2,472,003	4,119,151	4,676,951	2,992,257	2,113,451	1,493,321	***
Net loss, noncapital assets.....	19,489	59,125	187,506	143,141	75,999	127,468	83,344	***
Other deductions.....	4,827,965	15,600,271	39,779,667	44,158,321	11,328,883	16,149,021	20,981,578	***
Total receipts less total deductions.....	2,499,457	7,867,854	11,382,714	15,883,435	3,078,634	6,631,278	7,697,874	***
Constructive taxable income from related foreign corporations.....	177,390	291,322	2,082,426	1,329,875	697,511	171,252	732,582	***
Net income.....	2,670,851	8,126,349	13,281,344	16,629,744	3,696,882	6,781,257	8,377,123	***
Income subject to tax.....	1,872,128	5,224,069	11,144,601	13,625,169	3,006,348	4,870,709	7,066,836	***
Income tax, total.....	701,719	1,756,382	3,885,874	4,815,304	1,161,224	1,684,847	2,407,677	***
Regular tax.....	632,423	1,722,242	3,753,207	4,619,351	1,019,848	1,649,437	2,379,417	***
Personal holding company tax.....	()		*230					***
Recapture of investment credit.....	174	5	203	2,459	1	46	16	***
Alternative minimum tax.....	66,265	28,782	120,398	166,546	135,949	25,316	20,075	***
Environmental tax.....	2,917	5,162	13,443	18,802	5,422	7,570	8,113	***
Foreign tax credit.....	137,689	290,672	2,097,925	891,443	266,536	87,167	704,461	***
U.S. possessions tax credit.....	-	5,384	20,301	330,853	11,668	601	378,149	***
Orphan drug credit.....	-	-	-	-	-	-	245	***
Nonconventional source fuel credit.....	69	357	-	159	-	130	-	***
General business credit.....	4,612	26,502	78,560	187,465	12,324	12,202	64,421	***
Prior year minimum tax credit.....	16,780	15,910	16,354	44,215	40,151	22,598	54,521	***
Total income tax after credits.....	542,569	1,417,658	1,672,734	3,361,168	830,545	1,562,149	1,205,880	***

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME

Table 7--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued								
	Transportation and public utilities				Wholesale and retail trade				
	Total	Transportation	Communication	Electric, gas, and sanitary services	Total	Wholesale trade			
						Total	Groceries and related products	Machinery, equipment, and supplies	Miscellaneous wholesale trade
(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	
Number of returns, total.....	97,877	79,876	10,375	7,425	567,784	187,043	18,342	31,995	138,708
Total assets.....	1,353,203,464	150,190,230	518,633,989	684,379,244	1,072,694,538	567,087,232	43,088,066	46,540,324	477,438,842
Cash.....	20,392,891	7,738,721	6,941,323	5,712,847	60,406,639	28,623,660	2,149,808	3,352,059	23,121,793
Notes and accounts receivable.....	143,085,559	21,633,624	81,298,189	40,153,746	226,335,236	164,181,795	11,327,399	13,546,531	139,307,866
Less: Allowance for bad debts.....	3,953,975	3,968,812	2,573,251	983,912	3,983,148	2,515,336	246,713	266,752	2,001,871
Inventories.....	24,352,428	2,315,312	5,157,477	16,879,639	321,315,377	157,474,749	9,560,870	15,512,931	132,400,947
Investments in Government obligations.....	3,331,873	640,876	1,172,739	1,518,258	36,408,425	35,104,506	30,660	134,916	34,938,929
Tax-exempt securities.....	1,400,252	430,606	553,566	416,080	1,863,238	908,100	27,594	*154,281	726,225
Other current assets.....	47,975,991	5,884,415	16,563,983	25,527,592	56,826,561	41,569,551	1,216,988	1,694,044	38,658,519
Loans to stockholders.....	2,553,926	1,008,175	366,176	1,179,575	7,315,456	2,983,008	250,054	485,621	2,247,333
Mortgage and real estate loans.....	2,482,245	571,139	54,763	1,856,343	2,798,066	1,805,054	205,820	95,752	1,503,481
Other Investments.....	208,348,437	16,239,172	125,779,628	66,329,636	82,559,121	47,028,873	5,946,061	3,417,602	37,665,210
Depreciable assets.....	1,206,518,491	150,291,973	369,489,696	686,736,821	365,390,866	126,498,585	16,304,931	13,310,035	96,883,618
Less: Accumulated depreciation.....	450,991,587	68,769,494	149,230,410	232,991,684	171,517,446	64,585,865	8,412,612	7,267,515	48,905,738
Depletable assets.....	10,341,479	418,366	*7,372	9,915,741	659,879	456,412	9,637	*10,294	436,480
Less: Accumulated depletion.....	4,497,105	169,068	*2,273	4,325,764	245,758	208,997	398	*5,973	202,626
Land.....	10,776,871	3,399,866	3,168,685	4,208,320	29,695,932	7,679,600	793,479	718,513	6,167,808
Intangible assets (amortizable).....	52,835,981	3,844,729	40,872,771	8,118,382	28,828,929	12,603,645	2,618,498	731,281	9,253,866
Less: Accumulated amortization.....	6,801,399	699,339	4,066,193	2,035,866	7,250,475	3,013,274	390,060	198,432	2,424,781
Other assets.....	85,051,206	5,807,968	23,079,748	56,163,490	35,287,689	10,473,167	1,696,051	1,115,135	7,661,981
Total liabilities.....	1,353,203,464	150,190,230	518,633,989	684,379,244	1,072,694,538	567,087,232	43,088,066	46,540,324	477,438,842
Accounts payable.....	80,605,679	15,249,429	33,943,047	31,413,203	172,472,841	101,521,469	9,412,420	9,986,774	82,122,275
Mortgages, notes, and bonds payable in less than one year.....	71,048,520	10,467,823	31,536,737	29,043,960	201,090,906	138,006,261	3,005,239	7,535,618	127,465,404
Other current liabilities.....	98,607,274	14,290,230	42,381,345	41,935,698	120,843,804	74,351,988	3,927,597	3,115,749	67,308,642
Loans from stockholders.....	4,022,634	2,051,902	1,540,298	430,434	24,395,755	11,013,880	868,943	1,149,373	8,995,564
Mortgages, notes, and bonds payable in one year or more.....	386,665,983	36,517,655	126,188,276	223,960,053	174,624,719	68,219,198	8,003,844	5,717,952	54,497,402
Other liabilities.....	207,933,790	22,032,165	71,867,634	114,033,991	40,939,575	17,197,039	1,435,292	1,591,958	14,169,789
Capital stock.....	141,890,399	5,006,107	41,299,732	95,584,559	47,125,448	22,916,293	1,330,993	2,351,693	19,234,507
Paid-in or capital surplus.....	200,952,754	15,103,766	117,885,365	67,963,624	71,297,259	30,771,408	4,715,786	2,507,815	23,547,807
Retained earnings, appropriated.....	3,276,954	272,053	627,538	2,377,363	774,528	298,196	*36,576	48,708	210,912
Retained earnings, unappropriated.....	175,910,873	33,080,862	62,883,197	79,946,814	236,728,533	111,243,579	11,284,095	13,511,763	86,447,722
Less: Cost of treasury stock.....	17,711,396	3,881,761	11,519,179	2,310,456	17,598,832	8,472,081	933,819	977,080	6,561,183
Total receipts.....	780,935,274	216,432,698	258,700,673	305,801,903	2,597,597,801	1,245,834,743	180,780,098	101,152,147	963,902,488
Business receipts.....	736,223,748	207,811,719	237,752,700	290,659,329	2,539,538,089	1,218,993,459	177,806,507	98,578,007	942,608,945
Interest.....	13,180,552	1,866,600	5,954,655	5,359,297	15,436,234	9,652,537	382,728	395,115	8,874,695
Interest on Government obligations:									
State and local.....	253,255	30,308	103,628	119,319	273,797	139,487	15,917	19,437	104,132
Rents.....	8,821,876	1,782,714	4,913,706	2,125,456	5,523,378	2,356,789	250,692	581,222	1,524,874
Royalties.....	633,872	91,930	401,595	140,347	2,005,802	450,896	*32,592	13,523	404,781
Net short-term capital gain reduced by net long-term capital loss.....	147,554	21,125	41,044	85,385	138,493	90,263	4,622	2,090	83,551
Net long-term capital gain reduced by net short-term capital loss.....	1,991,379	398,832	949,044	643,503	2,573,433	603,572	26,372	76,715	500,485
Net gain, noncapital assets.....	2,864,154	1,000,582	742,940	1,120,632	2,562,363	1,149,514	37,231	201,736	910,547
Dividends received from domestic corporations.....	1,348,492	112,092	288,170	948,230	459,516	243,678	26,730	10,794	206,154
Dividends received from foreign corporations.....	457,057	93,634	276,083	87,340	1,484,184	1,225,663	*4,864	37,476	1,183,323
Other receipts.....	15,013,335	3,223,163	7,277,107	4,513,065	27,602,512	10,928,886	2,191,844	1,236,031	7,501,010
Total deductions.....	723,342,387	208,245,800	235,230,138	281,868,450	2,527,257,181	1,216,503,709	178,003,371	97,868,685	940,631,653
Cost of sales and operations.....	294,295,987	83,926,461	68,994,734	141,374,792	1,949,736,922	1,005,440,992	152,544,933	74,323,744	778,572,314
Compensation of officers.....	6,458,165	3,839,076	1,110,786	1,508,303	39,623,157	20,499,232	1,963,200	2,889,649	15,646,382
Repairs.....	25,359,140	5,178,127	9,048,418	11,132,594	9,434,172	3,037,247	570,106	306,352	2,160,789
Bad debts.....	6,219,076	672,996	4,330,473	1,215,607	5,179,885	2,412,976	256,406	272,713	1,883,857
Rent paid on business property.....	16,152,216	7,892,011	4,974,385	3,285,820	44,506,434	9,631,391	1,256,621	1,002,381	7,372,389
Taxes paid.....	36,579,579	8,483,237	9,779,262	18,317,081	38,291,285	16,081,416	1,601,879	1,355,628	11,424,908
Interest paid.....	42,861,798	4,831,066	14,570,341	23,460,391	29,134,998	13,603,580	1,020,620	1,012,578	11,570,311
Contributions or gifts.....	587,731	94,045	249,998	243,687	740,120	290,309	55,223	27,809	207,277
Amortization.....	3,974,005	219,355	2,863,662	890,988	2,056,357	834,823	120,643	68,494	645,686
Depreciation.....	70,842,131	10,406,587	29,796,020	30,639,524	31,321,756	12,305,390	1,329,121	1,479,070	9,497,199
Depletion.....	719,807	84,387	14,063	621,357	58,235	52,828	*424	528	51,876
Advertising.....	4,573,321	824,720	3,271,874	476,728	28,751,127	8,310,875	720,129	509,106	7,081,640
Pension, profit-sharing, stock bonus, and annuity plans.....	5,374,349	1,707,933	1,902,696	1,763,720	5,958,796	2,835,710	373,281	352,690	2,109,739
Employee benefit programs.....	16,915,420	5,657,639	7,486,289	3,771,492	15,483,005	5,616,401	1,028,376	719,347	3,868,679
Net loss, noncapital assets.....	1,794,866	193,590	916,498	684,778	576,095	178,326	12,373	34,604	131,349
Other deductions.....	190,634,796	72,234,570	75,920,638	42,479,587	326,404,837	117,071,286	15,150,034	13,513,994	88,407,259
Total receipts less total deductions.....	57,592,887	10,186,898	23,470,535	23,935,454	70,340,620	29,331,033	2,776,728	3,283,461	23,270,844
Constructive taxable income from related foreign corporations.....	856,187	73,671	618,363	164,153	2,250,593	2,038,967	*1,911	*18,927	2,018,129
Net income.....	58,195,820	10,230,261	23,985,270	23,980,288	72,317,416	31,230,513	2,762,722	3,282,951	25,184,841
Income subject to tax.....	50,113,035	6,947,660	21,511,966	21,653,409	44,518,346	18,904,126	1,834,674	1,941,434	15,128,018
Income tax, total ?.....	17,842,719	2,443,395	7,455,080	7,944,244	14,640,757	6,262,597	604,480	591,386	5,066,731
Regular tax.....	16,876,879	2,254,927	7,281,352	7,340,599	14,243,082	6,041,772	597,736	578,734	4,865,302
Personal holding company tax.....	()	()	()	()	()	()	()	()	()
Recapture of investment credit.....	16,272	1	10,881	5,390	1,862	*1,862	-	10	*1,852
Alternative minimum tax.....	872,984	179,437	123,852	569,695	343,244	196,212	5,429	10,370	180,414
Environmental tax.....	86,966	8,991	38,249	39,726	47,172	16,966	1,729	1,039	14,197
Foreign tax credit.....	418,522	41,534	362,923	74,065	1,242,771	950,735	*2,215	17,708	930,812
U.S. possessions tax credit.....	58,729	60	58,669	-	29,971	4,940	-	124	4,816
Orphan drug credit.....	-	-	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	58,112	*655	42	57,415	1,489	1,433	628	*482	*324
General business credit.....	348,791	57,166	112,554	179,070	241,757	48,040	4,741	4,305	38,994
Prior year minimum tax credit.....	366,463	78,526	108,748	179,188	127,322	53,452	4,859	5,261	43,331
Total income tax after credits.....	16,532,103	2,265,454	6,812,143	7,454,506	12,997,448	5,203,997	592,037	563,505	4,048,455

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME

Table 7—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued									
	Wholesale and retail trade—Continued									
	Retail trade									
	Total	Building materials, garden supplies and mobile home dealers	General merchandise stores	Food stores	Automotive dealers and service stations	Apparel and accessory stores	Furniture and home furnishing stores	Eating and drinking places	Miscellaneous retail stores	Wholesale and retail trade not allocable
(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	
Number of returns, total.....	378,900	23,733	4,954	32,237	62,714	21,349	21,518	88,041	124,355	1,841
Total assets.....	504,152,958	28,514,854	112,818,057	78,118,773	80,653,907	40,565,561	20,311,645	57,071,415	84,100,748	1,474,348
Cash.....	31,510,498	1,734,262	2,845,067	6,111,469	6,023,565	1,844,791	1,639,728	4,115,234	7,196,383	272,481
Notes and accounts receivable.....	61,738,836	4,903,685	14,434,821	5,621,091	10,562,605	4,685,549	4,539,226	3,285,473	13,706,386	414,604
Less: Allowance for bad debts.....	1,462,195	89,779	306,656	69,356	171,317	157,983	127,949	99,811	439,343	5,617
Inventories.....	163,478,240	10,176,526	37,486,341	18,296,323	43,332,631	12,702,192	7,907,230	1,786,107	31,790,890	362,389
Investments in Government obligations.....	1,303,920	*40,622	*449,176	264,472	96,296	*65,497	*53,638	62,459	271,760	-
Tax-exempt securities.....	955,138	*15,528	*163,108	459,443	16,357	*12,809	*77,770	*52,180	157,942	-
Other current assets.....	15,224,807	1,353,715	2,740,333	2,210,077	1,924,178	2,348,658	542,244	1,466,712	2,638,891	32,143
Loans to stockholders.....	4,326,068	207,171	48,178	301,226	905,328	704,945	147,606	1,195,977	815,637	*6,389
Mortgage and real estate loans.....	985,977	357,890	*30,841	104,469	105,973	27,511	35,808	162,631	160,853	*7,036
Other investments.....	35,490,363	1,618,361	7,201,709	5,261,393	2,121,343	5,706,363	1,299,459	7,069,166	5,272,569	*39,885
Depreciable assets.....	238,416,886	11,500,414	51,819,269	53,063,325	23,671,260	16,923,146	6,917,459	43,278,108	31,243,906	475,395
Less: Accumulated depreciation.....	106,671,480	5,595,154	16,950,476	24,189,753	12,477,518	7,253,769	3,419,937	20,380,814	16,404,059	260,101
Depletable assets.....	203,467	*53,321	25,977	*71,115	*33,848	-	-	*16,299	*2,907	-
Less: Accumulated depletion.....	36,762	*11,619	-	*12,629	*723	-	-	*10,076	*1,715	-
Land.....	22,005,179	1,737,680	5,036,623	4,750,353	2,595,974	304,208	319,585	5,410,954	1,849,801	*11,154
Intangible assets (amortizable).....	16,205,934	230,442	2,439,244	1,778,913	789,291	1,955,580	178,042	4,642,767	4,191,656	*19,351
Less: Accumulated amortization.....	4,228,336	86,276	371,605	428,188	363,112	386,208	51,366	1,343,670	1,197,910	*8,865
Other assets.....	24,706,417	1,368,062	5,724,105	5,525,030	1,487,932	1,082,272	313,102	6,361,721	2,844,194	108,104
Total liabilities.....	504,152,958	28,514,854	112,818,057	78,118,773	80,653,907	40,565,561	20,311,645	57,071,415	84,100,748	1,474,348
Accounts payable.....	60,773,049	4,133,987	16,098,607	14,267,394	6,956,878	5,813,873	3,399,952	3,999,746	16,405,611	278,326
Mortgages, notes, and bonds payable in less than one year.....	62,967,473	2,198,164	9,515,336	4,025,352	34,724,873	2,398,073	1,593,550	2,330,529	6,181,595	117,173
Other current liabilities.....	46,370,832	2,077,336	12,052,628	9,350,720	4,658,732	4,055,321	2,011,523	4,977,559	7,187,013	120,984
Loans from stockholders.....	13,341,203	1,114,696	21,929,258	1,217,262	3,562,569	894,673	537,209	1,857,199	3,939,671	40,672
Mortgages, notes, and bonds payable in one year or more.....	106,123,361	6,060,404	28,155,308	25,350,153	9,920,642	4,808,414	3,196,942	15,833,569	12,797,929	282,160
Other liabilities.....	23,680,616	761,135	6,030,662	3,714,166	1,022,611	2,254,600	631,137	6,568,126	2,698,178	61,920
Capital stock.....	24,040,660	1,237,324	4,010,870	2,522,329	3,651,127	3,149,995	1,351,211	4,294,675	3,823,128	168,495
Paid-in or capital surplus.....	40,406,996	2,532,416	8,121,035	6,495,558	3,014,959	4,962,812	991,461	5,692,668	8,596,086	118,855
Retained earnings, appropriated.....	476,331	*6,526	*20,240	*26,064	68,617	*145,870	*58,967	15,227	134,822	-
Retained earnings, unappropriated.....	125,152,974	9,922,903	28,825,776	13,355,436	14,440,244	12,833,852	7,548,857	14,257,477	23,968,429	331,979
Less: Cost of treasury stock.....	9,080,537	530,039	232,330	1,205,662	1,367,345	751,921	1,009,164	2,352,359	1,631,718	*46,215
Total receipts.....	1,347,943,913	70,045,929	216,187,008	282,190,025	335,373,181	81,289,208	43,451,654	108,968,685	212,428,225	3,819,145
Business receipts.....	1,316,851,855	68,585,386	209,647,829	277,217,862	329,992,213	78,824,392	42,433,737	102,396,424	207,754,012	3,692,776
Interest.....	5,754,620	426,802	1,855,134	481,881	651,602	684,263	296,261	709,684	648,994	29,077
Interest on Government obligations:										
State and local.....	133,885	14,546	14,364	43,843	4,760	13,169	8,277	12,911	22,015	*426
Rents.....	3,155,680	171,124	707,036	748,063	451,351	134,314	77,584	327,201	539,007	*10,909
Royalties.....	1,554,709	113,445	58,233	54,298	*1,490	456,255	*11,883	558,446	300,661	197
Net short-term capital gain reduced by net long-term capital loss.....	48,230	9,380	6,013	7,589	1,249	*1,164	*2,112	9,607	11,116	-
Net long-term capital gain reduced by net short-term capital loss.....	1,969,178	42,853	1,450,469	91,378	48,866	14,819	50,055	128,256	142,482	*683
Net gain, noncapital assets.....	1,410,626	81,221	196,600	227,850	274,486	4,671	24,235	387,528	214,033	*2,223
Dividends received from domestic corporations.....	214,937	15,701	68,502	10,808	16,760	66,562	3,718	11,616	21,271	*900
Dividends received from foreign corporations.....	258,521	*1,044	37,073	*9,878	*760	86,252	-	108,041	15,474	-
Other receipts.....	16,591,671	584,427	2,155,752	3,296,575	3,929,644	1,003,347	543,792	2,318,971	2,759,162	81,955
Total deductions.....	1,307,095,853	67,820,880	208,658,417	278,955,837	330,814,422	77,897,365	41,794,837	101,407,639	204,346,467	3,657,819
Cost of sales and operations.....	941,589,571	49,432,865	145,830,035	210,821,156	281,919,033	47,933,455	26,995,937	39,686,125	138,971,515	2,706,359
Compensation of officers.....	18,958,814	1,551,146	626,311	1,434,219	4,068,495	923,002	1,203,637	3,225,183	5,926,820	165,111
Repairs.....	6,384,621	352,760	839,864	1,599,715	851,637	317,872	200,769	1,373,930	848,075	12,304
Bad debts.....	2,758,554	190,763	754,050	217,074	319,719	300,567	228,109	75,779	672,492	8,355
Rent paid on business property.....	34,821,272	988,740	6,006,663	4,907,066	3,506,759	5,232,617	1,430,780	6,303,006	6,445,643	53,771
Taxes paid.....	23,850,551	1,303,329	3,903,386	4,211,173	3,507,986	1,810,314	871,708	4,439,024	3,803,931	58,019
Interest paid.....	15,493,340	983,213	3,638,892	2,780,155	2,281,226	973,015	461,164	2,315,310	2,060,365	38,150
Contributions or gifts.....	448,261	18,028	159,672	73,182	27,686	47,191	17,662	32,793	72,047	*1,550
Amortization.....	1,219,972	31,421	137,749	176,635	133,166	120,812	22,259	302,938	294,991	*1,562
Depreciation.....	18,965,711	811,761	4,019,992	3,949,837	2,190,041	1,517,731	529,113	3,113,898	2,833,338	50,656
Depletion.....	5,407	*4,771	*1	1	*90	*28	-	*269	*248	-
Advertising.....	20,405,848	846,246	3,562,629	2,377,652	3,029,765	1,645,630	1,746,327	2,988,751	4,208,848	34,404
Pension, profit-sharing, stock bonus, and annuity plans.....	3,100,275	192,857	655,064	887,453	250,052	210,686	88,983	252,415	562,765	22,811
Employee benefit programs.....	9,852,354	409,271	1,714,587	3,251,724	1,336,385	647,898	224,210	1,033,973	1,234,307	14,249
Net loss, noncapital assets.....	396,460	10,146	31,208	83,533	31,908	79,656	17,671	29,896	112,441	*1,309
Other deductions.....	208,844,343	10,493,562	34,778,316	40,185,062	27,160,474	15,936,880	7,757,159	36,234,249	36,298,640	489,200
Total receipts less total deductions.....	40,848,259	2,425,049	9,538,589	5,234,388	4,758,760	3,591,853	1,656,716	5,561,146	8,081,759	161,327
Constructive taxable income from related foreign corporations.....	211,627	-	69,447	1,213	*343	28,444	81	80,494	31,604	-
Net income.....	40,926,001	2,410,503	9,593,673	5,191,758	4,754,343	3,607,128	1,648,521	5,628,728	8,091,348	160,902
Income subject to tax.....	25,523,080	1,475,267	7,625,748	3,914,919	1,679,356	2,951,773	849,059	2,769,350	4,257,607	91,141
Income tax, total ²	8,349,430	464,169	2,641,782	1,344,499	478,465	965,742	254,919	920,279	1,279,576	28,729
Regular tax.....	8,172,658	458,258	2,585,301	1,301,032	468,659	959,136	253,300	878,985	1,267,988	28,651
Personal holding company tax.....	-	-	-	-	-	-	-	-	-	-
Recapture of investment credit.....	464	-	462	-	-	-	-	(1)	2	-
Alternative minimum tax.....	147,031	4,557	43,278	37,116	11,797	3,296	*1,010	38,092	7,885	-
Environmental tax.....	30,128	1,259	12,741	5,029	435	3,609	603	3,115	3,337	78
Foreign tax credit.....	291,973	*59	52,305	10,957	*156	42,369	1,109	171,488	13,530	63
U.S. possessions tax credit.....	25,031	-	15,156	7,740	1,187	20	-	928	-	-
Orphan drug credit.....	-	-	-	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	*56	-	(1)	-	*51	-	-	1	*4	-
General business credit.....	193,626	6,333	61,215	33,279	8,744	16,468	*2,150	42,580	22,858	*90
Prior year minimum tax credit.....	73,341	2,364	17,643	17,021	11,298	4,146	*2,828	2,254	15,786	*529
Total income tax after credits.....	7,765,403	455,413	2,495,462	1,275,502	457,029	902,738	248,832	703,028	1,227,399	28,047

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME

Table 7--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major Industry--Continued							
	Finance, insurance, real estate							
	Total	Banking	Credit agencies other than banks	Security, commodity brokers and services	Insurance	Insurance agents, brokers, and service	Real estate	Holding and other investment companies, except bank holding companies
(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)	
Number of returns, total.....	295,066	8,879	18,374	10,948	8,655	44,700	182,688	24,847
Total assets.....	9,885,645,988	3,816,035,345	1,445,556,297	549,282,236	2,043,235,521	32,543,228	122,774,745	1,876,218,617
Cash.....	431,134,138	286,485,880	60,111,518	12,727,251	18,038,243	6,139,340	12,038,687	35,593,218
Notes and accounts receivable.....	2,293,323,856	1,631,103,523	277,761,690	130,299,487	112,822,987	8,376,714	8,962,091	123,997,365
Less: Allowance for bad debts.....	65,551,394	46,090,658	16,004,737	380,170	2,097,132	219,455	349,099	410,142
Inventories.....	16,616,535	514,560	4,165,678	853,576	3,135,548	3,752	7,359,212	584,209
Investments in Government obligations.....	1,064,613,374	542,553,394	58,884,286	35,003,600	176,739,098	433,777	1,020,588	249,978,632
Tax-exempt securities.....	409,882,494	64,096,929	19,898,866	2,059,017	174,616,533	407,095	633,718	148,170,335
Other current assets.....	721,362,081	183,084,157	64,064,541	183,167,817	220,000,521	1,688,336	7,780,274	61,576,434
Loans to stockholders.....	19,583,247	919,929	5,935,554	1,162,222	1,942,699	529,130	2,163,046	6,930,667
Mortgage and real estate loans.....	1,325,513,779	368,809,766	726,823,840	1,367,885	211,937,637	129,749	4,614,562	11,830,340
Other investments.....	2,913,895,153	355,428,273	182,404,696	157,949,729	1,004,809,637	9,667,426	19,446,517	1,184,188,875
Depreciable assets.....	249,362,899	89,170,365	26,196,361	8,430,681	35,286,625	5,966,264	61,043,225	23,269,380
Less: Accumulated depreciation.....	94,728,255	38,213,091	11,634,507	4,184,855	8,186,431	3,391,545	20,661,829	6,515,998
Depletable assets.....	1,007,981	11,486	7,183	*56,726	398,105	*13,568	315,447	22,466
Less: Accumulated depletion.....	371,615	3,303	*929	*38,867	178,929	*5,642	103,028	40,917
Land.....	30,965,587	7,183,181	2,871,171	160,815	1,892,821	216,586	15,005,560	3,635,454
Intangible assets (amortizable).....	36,362,644	14,891,349	8,434,651	1,433,917	5,793,536	2,039,218	1,483,946	2,286,028
Less: Accumulated amortization.....	8,655,514	3,219,541	1,638,653	486,989	1,635,707	692,036	497,046	485,540
Other assets.....	541,328,995	359,309,148	37,275,087	19,700,393	87,919,732	1,240,949	4,458,875	31,424,812
Total liabilities.....	9,885,645,988	3,816,035,345	1,445,556,297	549,282,236	2,043,235,521	32,543,228	122,774,745	1,876,218,617
Accounts payable.....	593,256,926	325,724,948	81,406,598	98,577,254	26,807,572	9,526,919	3,683,969	47,529,667
Mortgages, notes, and bonds payable in less than one year.....	614,479,966	200,969,211	259,963,682	35,854,209	44,984,939	1,564,328	10,923,400	60,220,197
Other current liabilities.....	3,889,679,700	2,566,508,860	583,364,036	335,439,797	359,866,195	6,302,081	6,630,004	34,043,728
Loans from stockholders.....	38,978,702	9,142,658	10,198,291	829,107	6,072,585	527,722	8,379,022	3,829,323
Mortgages, notes, and bonds payable in one year or more.....	596,972,386	167,525,023	273,101,964	21,898,552	48,681,409	2,716,714	37,810,428	45,238,296
Other liabilities.....	1,540,160,763	177,466,895	123,500,698	26,783,795	1,184,127,416	2,314,262	9,094,483	16,873,313
Capital stock.....	1,141,340,399	58,515,632	11,712,793	4,328,034	18,997,557	1,125,164	9,374,938	1,037,286,281
Paid-in or capital surplus.....	1,909,233,740	148,540,450	48,280,398	11,435,851	139,432,001	3,551,592	22,980,780	1,535,002,667
Retained earnings, appropriated.....	45,567,750	2,049,431	2,513,344	*164,454	25,849,490	55,047	1,179,569	13,756,415
Retained earnings, unappropriated.....	458,322,879	162,967,479	54,636,626	16,104,887	195,221,080	8,324,284	14,545,233	6,523,290
Less: Cost of treasury stock.....	942,347,224	3,375,239	3,122,033	2,133,698	6,804,725	989,886	1,837,082	924,084,561
Total receipts.....	1,585,737,073	459,647,808	168,025,583	68,429,780	679,375,230	28,881,335	69,140,528	113,236,808
Business receipts.....	800,521,059	124,407,317	47,171,283	40,713,951	494,954,528	28,198,460	55,198,082	9,877,438
Interest.....	584,110,526	283,333,643	100,611,385	19,822,592	112,357,938	421,736	1,877,366	65,685,867
Interest on Government obligations:								
State and local.....	22,554,752	6,081,160	873,439	203,447	5,990,352	55,803	88,532	9,262,019
Rents.....	27,781,284	9,416,053	1,697,521	641,681	8,683,395	94,462	3,936,622	3,311,550
Royalties.....	653,556	39,907	63,833	19,656	73,303	*16,156	192,177	248,524
Net short-term capital gain reduced by net long-term capital loss.....	11,495,060	187,992	70,718	368,891	3,874,108	31,351	66,826	6,895,175
Net long-term capital gain reduced by net short-term capital loss.....	19,196,241	1,772,076	1,252,350	511,333	11,953,824	375,982	1,956,485	1,374,191
Net gain, noncapital assets.....	7,682,835	4,893,306	1,810,944	28,498	503,458	17,678	297,322	131,628
Dividends received from domestic corporations.....	5,689,620	801,004	480,489	205,753	3,305,425	37,156	220,725	639,068
Dividends received from foreign corporations.....	1,471,015	298,547	57,113	65,211	645,402	*134,376	6,783	263,583
Other receipts.....	104,581,126	28,416,804	11,936,507	5,848,767	37,033,496	498,175	5,299,611	15,547,766
Total deductions.....	1,379,288,805	413,382,515	144,183,928	61,917,921	638,382,947	28,495,939	59,870,079	34,935,478
Cost of sales and operations.....	446,852,490	68,313,921	5,376,549	5,789,944	339,906,351	3,867,880	12,832,870	4,665,175
Compensation of officers.....	29,364,993	11,784,997	3,123,993	4,306,387	2,295,209	3,442,610	3,582,026	829,771
Repairs.....	4,902,255	2,454,575	632,788	139,032	266,449	158,675	1,140,370	110,368
Bad debts.....	38,371,813	26,900,675	8,396,174	470,779	1,738,816	83,583	257,231	524,555
Rent paid on business property.....	18,271,930	6,242,500	2,032,516	2,163,067	4,814,465	1,103,194	1,616,385	299,803
Taxes paid.....	27,364,593	7,804,452	2,446,243	1,399,706	11,067,072	1,026,247	2,983,672	637,200
Interest paid.....	277,889,042	164,725,229	70,549,321	16,303,920	14,048,137	399,086	3,806,426	8,056,924
Contributions or gifts.....	1,084,228	577,045	134,789	85,032	166,313	31,726	60,641	28,682
Amortization.....	4,233,812	1,788,235	789,115	163,979	955,337	192,065	185,879	159,202
Depreciation.....	26,923,211	13,721,623	2,462,010	871,569	5,516,693	483,640	2,237,368	1,630,308
Depletion.....	155,911	12,453	852	*232	34,079	*27	32,829	75,439
Advertising.....	8,076,355	2,515,344	1,996,549	934,240	1,326,244	262,082	876,016	165,881
Pension, profit-sharing, stock bonus, and annuity plans.....	5,910,618	1,786,648	554,579	486,641	2,365,294	398,972	228,759	89,725
Employee benefit programs.....	12,650,223	5,855,316	1,491,110	663,708	3,387,421	598,195	450,062	204,410
Net loss, noncapital assets.....	2,484,054	1,128,175	827,191	30,117	371,210	17,890	56,573	52,897
Other deductions.....	474,753,277	97,771,329	43,380,149	28,109,568	250,133,857	14,430,266	23,522,972	17,405,135
Total receipts less total deductions.....	206,448,269	46,265,292	21,831,655	6,511,860	40,982,283	3,385,397	9,170,450	78,301,332
Constructive taxable income from related foreign corporations.....	4,822,196	2,465,906	*302,585	652,667	945,338	222,668	*3,386	229,645
Net income.....	188,715,713	42,650,038	21,260,801	6,961,080	35,937,269	3,552,261	9,085,305	69,268,959
Income subject to tax.....	100,903,959	38,152,617	16,610,417	5,801,019	31,895,136	1,703,013	3,710,293	3,031,464
Income tax, total ²	35,132,998	13,404,504	5,649,742	1,993,017	11,378,122	548,548	1,076,334	1,082,731
Regular tax.....	33,868,629	12,953,974	5,602,949	1,963,056	10,799,881	535,547	1,034,958	978,263
Personal holding company tax.....	16,193	*66	*173	()	299	-	6,336	9,319
Recapture of investment credit.....	1,624	597	142	96	541	-	*248	-
Alternative minimum tax.....	1,043,190	335,605	64,764	22,989	529,990	11,244	29,554	49,044
Environmental tax.....	130,743	48,777	21,653	6,857	46,630	1,756	1,572	3,498
Foreign tax credit.....	3,123,969	1,752,584	130,673	273,656	725,520	121,303	1,442	118,791
U.S. possessions tax credit.....	22,486	7,191	14,546	-	-	()	-	-
Orphan drug credit.....	-	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	18,700	2,620	3	*13	5,280	*545	2,382	*7,856
General business credit.....	203,908	94,365	50,139	7,489	35,348	3,762	10,903	1,903
Prior year minimum tax credit.....	1,030,654	642,920	60,265	116,940	180,760	1,755	19,990	8,024
Total income tax after credits.....	30,733,281	10,904,825	5,394,116	1,594,919	10,431,214	421,182	1,040,869	946,156

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME

Table 7--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued							Nature of business not allocable
	Services							
	Total	Hotels and other lodging places	Personal services	Business services	Auto repair, miscellaneous repair services	Amusement and recreation services	Other services	
	(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)
Number of returns, total.....	607,204	11,317	48,102	184,939	78,602	47,924	236,319	6,749
Total assets.....	411,994,237	25,448,595	15,897,979	157,645,439	37,958,299	56,372,458	118,883,467	796,814
Cash.....	36,091,292	1,858,002	1,586,436	13,277,877	2,635,756	4,395,655	12,337,556	96,237
Notes and accounts receivable.....	70,883,991	1,193,580	2,205,690	34,029,760	4,465,243	4,707,937	24,281,783	77,234
Less: Allowance for bad debts.....	3,460,722	113,894	52,379	897,484	84,498	278,398	2,034,070	*608
Inventories.....	13,171,135	209,269	956,873	4,244,701	2,892,985	2,587,945	2,198,362	131,527
Investments in Government obligations.....	2,396,925	*25,807	*13,787	870,247	*84,500	*81,568	1,321,016	8,567
Tax-exempt securities.....	2,260,237	*25,299	*173,255	887,954	*110,388	34,805	1,028,536	*1,108
Other current assets.....	25,276,450	609,516	737,678	12,361,284	1,874,367	3,689,982	6,003,623	32,127
Loans to stockholders.....	7,264,164	917,837	209,060	2,263,705	608,661	1,204,265	2,060,636	*19,270
Mortgage and real estate loans.....	5,741,298	266,025	104,193	3,788,821	216,869	203,070	1,162,321	*4,627
Other investments.....	74,983,146	3,270,510	1,208,522	37,308,062	2,169,981	9,228,798	21,797,272	*95,442
Depreciable assets.....	219,548,101	20,906,277	11,751,345	60,743,951	32,260,523	33,789,150	60,096,856	296,343
Less: Accumulated depreciation.....	105,708,596	8,492,956	6,810,907	33,925,399	13,144,963	16,702,981	26,631,390	136,941
Depletable assets.....	215,059	*6,343	77,781	*13,787	*529	*20,297	110,109	*1,109
Less: Accumulated depletion.....	97,523	*1,023	23,027	*485	*15,108	57,879	57,879	*928
Land.....	11,024,977	2,535,894	760,272	1,379,253	1,186,521	2,012,756	3,150,281	*55,489
Intangible assets (amortizable).....	30,912,976	416,825	1,576,084	13,472,554	2,158,961	6,539,877	6,748,675	*696
Less: Accumulated amortization.....	9,665,292	173,169	370,036	3,813,439	200,147	3,194,712	1,913,789	*268
Other assets.....	31,156,618	1,905,453	1,838,107	11,598,840	723,109	8,067,542	7,023,568	115,783
Total liabilities.....	411,994,237	25,448,595	15,897,979	157,645,439	37,958,299	56,372,458	118,883,467	796,814
Accounts payable.....	32,167,424	752,240	768,614	16,100,584	2,524,916	3,181,838	8,839,233	86,898
Mortgages, notes, and bonds payable in less than one year.....	26,903,020	1,203,082	574,362	10,462,686	5,700,501	1,793,788	7,168,601	*30,068
Other current liabilities.....	55,557,974	1,307,456	1,321,275	27,360,854	3,674,913	6,336,056	15,557,420	82,518
Loans from stockholders.....	14,873,260	1,288,444	854,500	6,101,936	1,151,492	1,846,187	3,630,701	86,084
Mortgages, notes, and bonds payable in one year or more.....	91,618,542	10,474,266	3,415,379	27,743,629	11,782,134	11,387,925	26,815,209	*139,607
Other liabilities.....	37,642,239	1,986,144	1,390,037	14,169,857	2,059,751	8,564,517	9,471,933	*84,065
Capital stock.....	19,590,403	2,212,565	1,045,556	6,729,487	1,600,035	2,899,855	5,102,905	99,308
Paid-in or capital surplus.....	70,643,418	2,938,940	1,616,117	29,688,682	2,472,187	9,233,538	24,695,954	*57,496
Retained earnings, appropriated.....	415,750	12,624	*32,914	106,519	*58,348	*72,170	133,275	-
Retained earnings, unappropriated.....	71,869,878	3,897,422	5,456,375	23,123,055	7,674,040	12,423,239	19,295,747	164,355
Less: Cost of treasury stock.....	9,287,670	624,489	587,150	3,941,848	740,016	1,366,656	2,027,510	*5,585
Total receipts.....	620,737,837	26,786,637	29,142,668	228,707,433	69,180,880	60,802,844	215,347,778	1,848,333
Business receipts.....	584,197,391	24,781,137	28,086,979	214,349,373	54,885,987	55,960,570	206,133,344	1,527,951
Interest.....	5,586,363	284,816	354,056	2,317,925	504,344	754,076	1,371,146	11,007
Interest on Government obligations:								
State and local.....	479,998	7,128	20,611	291,728	9,619	19,560	131,352	-
Rents.....	5,564,056	228,483	40,535	2,922,718	1,435,478	306,885	629,957	*9,120
Royalties.....	2,830,761	40,297	128,969	1,120,655	*23,294	1,196,648	320,899	*489
Net short-term capital gain reduced by net long-term capital loss.....	163,440	*15,292	*2,622	44,443	*17,613	25,027	58,443	-
Net long-term capital gain reduced by net short-term capital loss.....	1,804,795	293,191	105,799	666,242	84,984	123,045	531,535	*14,969
Net gain, noncapital assets.....	2,717,652	52,143	63,209	830,747	1,321,087	155,113	295,354	*28,372
Dividends received from domestic corporations.....	268,580	17,185	26,791	109,173	3,359	42,683	69,390	*477
Dividends received from foreign corporations.....	673,894	66,304	*28,154	385,529	*4,924	176,607	12,377	-
Other receipts.....	16,450,906	970,561	284,842	6,668,900	890,193	1,842,431	5,793,979	53,949
Total deductions.....	579,428,860	24,989,034	27,278,414	214,148,140	56,595,440	56,039,187	200,378,645	1,508,879
Cost of sales and operations.....	208,905,663	9,807,265	9,819,970	87,542,046	25,730,935	21,407,441	54,598,005	891,802
Compensation of officers.....	38,508,830	369,391	1,828,957	13,426,973	2,625,756	2,990,398	17,267,355	50,534
Repairs.....	5,175,672	426,974	354,649	1,235,817	980,041	621,525	1,556,665	6,508
Bad debts.....	3,124,518	175,662	115,964	803,753	142,479	145,873	1,740,787	*11,864
Rent paid on business property.....	21,073,362	654,238	1,492,242	6,791,557	2,335,488	2,169,894	7,629,942	62,144
Taxes paid.....	21,537,442	1,258,817	1,224,337	7,843,974	2,009,999	1,805,911	7,394,405	22,828
Interest paid.....	12,475,296	1,202,900	630,134	3,838,374	1,787,059	1,525,822	3,491,007	12,933
Contributions or gifts.....	307,910	10,525	20,549	148,462	20,987	36,219	71,168	*140
Amortization.....	2,974,837	57,824	115,925	864,028	95,665	1,251,463	589,931	*2,039
Depreciation.....	22,288,082	1,075,189	927,196	7,316,009	5,298,510	2,992,258	4,678,920	26,831
Depletion.....	23,339	158	3	*2,069	*3	*1,378	19,729	-
Advertising.....	6,996,360	500,063	554,792	2,489,798	712,858	1,098,793	1,640,057	25,110
Pension, profit-sharing, stock bonus, and annuity plans.....	3,829,190	45,137	155,381	1,352,622	309,889	195,684	1,770,477	*7,519
Employee benefit programs.....	10,001,294	628,419	313,107	3,516,719	735,605	355,134	4,452,309	*6,150
Net loss, noncapital assets.....	394,419	22,249	11,703	196,380	16,411	21,953	125,722	6
Other deductions.....	221,810,647	8,754,223	9,713,505	76,779,558	13,793,753	19,419,442	93,350,166	382,470
Total receipts less total deductions.....	41,310,977	1,767,503	1,864,152	15,559,294	2,585,440	4,563,457	14,971,132	137,454
Constructive taxable income from related foreign corporations.....	539,739	21,322	15,482	367,657	8,348	106,967	19,963	-
Net income.....	41,370,718	1,781,698	1,859,022	15,635,223	2,584,169	4,650,864	14,859,743	137,454
Income subject to tax.....	18,050,075	979,333	1,080,687	6,967,205	1,198			

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120-A

Table 8--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry

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

Item	Major industry						
	All Industries	Agriculture, forestry, and fishing	Mining				Nonmetallic minerals, except fuels
			Total	Metal mining	Coal mining	Oil and gas extraction	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of returns, total.....	280,697	9,158	*1,856	-	-	*1,577	*279
Total assets.....	13,264,501	812,366	*176,325	-	-	*127,730	*48,595
Cash.....	2,820,720	130,347	*34,376	-	-	*28,364	*8,012
Notes and accounts receivable.....	1,297,028	67,327	*42,119	-	-	*29,258	*12,861
Less: Allowance for bad debts.....	10,730	-	-	-	-	-	-
Inventories.....	1,610,382	*41,313	-	-	-	-	-
Investments in Government obligations.....	*40,574	-	-	-	-	-	-
Tax-exempt securities.....	*45,860	-	-	-	-	-	-
Other current assets.....	700,183	*9,924	*4,706	-	-	-	*4,706
Loans to stockholders.....	652,226	*24,675	*313	-	-	-	*313
Mortgage and real estate loans.....	319,289	-	-	-	-	-	-
Depreciable, depletable, and intangible assets.....	9,614,735	547,138	*163,753	-	-	*158,588	*5,165
Less: Accumulated depreciation, depletion, and amortization.....	5,830,772	385,819	*105,699	-	-	*100,534	*5,165
Land.....	1,022,319	298,708	*22,702	-	-	-	*22,702
Other assets.....	982,687	78,754	*14,053	-	-	*14,053	-
Total liabilities.....	13,264,501	812,366	*176,325	-	-	*127,730	*48,595
Accounts payable.....	1,475,224	39,931	*48,387	-	-	*46,793	*1,594
Other current liabilities.....	854,800	17,783	*624	-	-	*624	-
Loans from stockholders.....	3,020,181	164,790	*82,872	-	-	*66,887	*15,986
Mortgages, notes, and bonds payable in one year or more.....	3,402,505	186,674	*16,043	-	-	*1,640	*14,403
Other liabilities.....	1,194,243	25,803	(')	-	-	-	(')
Capital stock.....	3,299,434	245,568	*4,725	-	-	*2,497	*2,227
Paid-in or capital surplus.....	1,291,052	*37,259	*12,159	-	-	*12,159	-
Retained earnings, unappropriated.....	-704,945	107,099	*11,515	-	-	*2,871	*14,385
Less: Cost of treasury stock.....	567,993	*12,541	-	-	-	-	-
Total receipts.....	29,730,255	904,687	*202,354	-	-	*191,203	*11,151
Business receipts.....	28,706,291	819,580	*158,470	-	-	*158,470	-
Interest.....	179,139	4,494	*2,829	-	-	*2,549	*280
Interest on Government obligations:							
State and local.....	*3,222	-	-	-	-	-	-
Rents.....	183,898	7,934	*19	-	-	-	*19
Royalties.....	*32,003	*462	*26,064	-	-	*26,064	-
Net short-term capital gain reduced by net long-term capital loss.....	*7,134	-	-	-	-	-	-
Net long-term capital gain reduced by net short-term capital loss.....	75,978	*2,740	*9,355	-	-	-	*9,355
Net gain, noncapital assets.....	53,255	*1,835	*2,664	-	-	*1,176	*1,488
Dividends received from domestic corporations.....	11,515	*753	*11	-	-	-	*11
Other receipts.....	477,819	66,890	*2,943	-	-	*2,943	-
Total deductions.....	29,715,561	877,167	*177,785	-	-	*176,178	*1,607
Cost of sales and operations.....	10,547,064	246,573	*18,075	-	-	*18,075	-
Compensation of officers.....	3,622,975	61,103	*27,590	-	-	*27,145	*445
Repairs.....	458,599	24,771	*4,895	-	-	*4,877	*18
Bad debts.....	65,133	*715	-	-	-	-	-
Rent paid on business property.....	1,556,789	81,593	*7,280	-	-	*7,280	-
Taxes paid.....	1,164,583	52,254	*5,437	-	-	*5,088	*349
Interest paid.....	374,647	27,601	*1,146	-	-	*576	*570
Contributions or gifts.....	16,061	*171	*37	-	-	*37	-
Amortization.....	29,109	*103	*161	-	-	*161	-
Depreciation.....	779,295	50,140	*20,622	-	-	*20,622	-
Depletion.....	*13,320	-	*11,825	-	-	*11,825	-
Advertising.....	346,185	4,688	*747	-	-	*747	-
Pension, profit-sharing, stock bonus, and annuity plans.....	146,220	-	-	-	-	-	-
Employee benefit programs.....	228,385	*7,806	*2,669	-	-	*2,669	-
Net loss, noncapital assets.....	17,019	*935	-	-	-	-	-
Other deductions.....	10,350,177	318,715	*77,299	-	-	*77,075	*224
Total receipts less total deductions.....	14,694	27,520	*24,569	-	-	*15,025	*9,544
Net income (less deficit).....	11,472	27,520	*24,569	-	-	*15,025	*9,544
Income subject to tax.....	685,536	37,575	*27,057	-	-	*17,187	*9,870
Income tax, total ²	115,798	5,793	*4,118	-	-	*2,578	*1,540
Regular tax.....	115,791	5,793	*4,118	-	-	*2,578	*1,540
Recapture of investment credit.....	*34	-	-	-	-	-	-
Alternative minimum tax.....	-	-	-	-	-	-	-
General business credit.....	*656	*34	-	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-	-

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120-A

Table 8—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued								
	Construction				Manufacturing				
	Total	General building contractors and operative builders	Heavy construction contractors	Special trade contractors	Total	Food and kindred products	Tobacco manufactures	Textile mill products	Apparel and other textile products
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
Number of returns, total.....	25,040	7,383	*312	17,345	15,470	*328	-	*446	*1,756
Total assets.....	962,236	313,380	*37,712	611,144	914,973	*2,835	-	*1,639	*92,755
Cash.....	203,722	91,784	*15,449	96,488	140,131	*2,425	-	*1,019	*18,123
Notes and accounts receivable.....	128,603	*36,521	*5,671	86,411	203,865	-	-	*593	*22,825
Less: Allowance for bad debts.....	*418	-	-	*418	-	-	-	-	-
Inventories.....	71,706	*12,171	-	59,535	131,170	-	-	-	*45,387
Investments in Government obligations.....	-	-	-	-	*14,105	-	-	-	-
Tax-exempt securities.....	-	-	-	-	*6,267	-	-	-	-
Other current assets.....	32,812	*6,067	*9,892	16,853	58,409	-	-	*27	-
Loans to stockholders.....	113,019	*15,449	-	97,570	*54,194	-	-	-	*1,164
Mortgage and real estate loans.....	-	-	-	-	*5,638	-	-	-	-
Depreciable, depletable, and intangible assets.....	1,111,670	189,523	*15,514	906,634	690,766	*275	-	-	*79,302
Less: Accumulated depreciation, depletion, and amortization.....	782,494	111,167	*11,595	659,732	442,344	*23	-	-	*75,037
Land.....	*48,562	*46,685	-	*1,877	*26,127	-	-	-	-
Other assets.....	35,055	*26,348	*2,781	5,926	26,647	*158	-	-	*990
Total liabilities.....	962,236	313,380	*37,712	611,144	914,973	*2,835	-	*1,639	*92,755
Accounts payable.....	194,451	137,186	*867	56,399	178,586	-	-	*1,315	*16,277
Other current liabilities.....	74,565	*4,049	*679	69,837	84,113	-	-	-	*4,354
Loans from stockholders.....	219,956	82,701	*10,606	126,648	290,048	-	-	-	*25,819
Mortgages, notes, and bonds payable in one year or more.....	231,399	81,053	*1,691	148,655	134,467	-	-	-	*18,601
Other liabilities.....	12,207	*2,026	-	*10,181	165,101	*42,317	-	-	-
Capital stock.....	126,991	30,253	*4,371	92,367	943,349	*21	-	*27	*7,790
Paid-in or capital surplus.....	66,441	*38,085	-	*28,356	113,626	*11,902	-	-	*17,951
Retained earnings, unappropriated.....	47,729	-59,408	*19,497	87,640	-993,563	*51,404	-	*297	*1,961
Less: Cost of treasury stock.....	*11,504	*2,566	-	*8,938	*755	-	-	-	-
Total receipts.....	3,894,407	1,222,817	*34,605	2,636,985	2,067,136	-	-	*2,020	*541,801
Business receipts.....	3,872,266	1,221,078	*33,432	2,617,756	2,058,982	-	-	*2,020	*540,264
Interest.....	3,665	*1,440	*316	1,909	1,555	-	-	-	*34
Interest on Government obligations: State and local.....	-	-	-	-	-	-	-	-	-
Rents.....	*6,951	-	-	*6,951	*3,079	-	-	-	-
Royalties.....	-	-	-	-	*258	-	-	-	-
Net short-term capital gain reduced by net long-term capital loss.....	-	-	-	-	-	-	-	-	-
Net long-term capital gain reduced by net short-term capital loss.....	*367	-	-	*367	*360	-	-	-	-
Net gain, noncapital assets.....	*8,962	-	*160	*8,802	-	-	-	-	-
Dividends received from domestic corporations.....	-	-	-	-	*105	-	-	-	-
Other receipts.....	2,197	*299	*697	*1,201	2,797	-	-	-	*1,503
Total deductions.....	3,890,189	1,205,268	*32,653	2,642,268	2,128,639	*8,557	-	*1,723	*543,077
Cost of sales and operations.....	2,180,083	865,913	*16,342	1,297,828	1,117,049	-	-	*114	*366,009
Compensation of officers.....	330,633	*57,808	-	272,825	212,887	-	-	-	*40,302
Repairs.....	38,564	7,034	*1,996	29,534	9,749	-	-	*94	*2,602
Bad debts.....	*5,341	*2,892	-	*2,449	*9,782	-	-	-	*4,489
Rent paid on business property.....	53,962	*4,241	*793	48,927	108,971	-	-	-	*30,475
Taxes paid.....	125,262	23,615	*2,194	99,453	67,319	-	-	-	*17,867
Interest paid.....	30,568	11,798	*370	18,400	25,980	-	-	-	*1,429
Contributions or gifts.....	779	*100	-	679	*273	-	-	-	*5
Amortization.....	*510	*109	*130	*270	*3,710	*52	-	-	-
Depreciation.....	108,735	19,779	*1,523	87,433	45,388	*16	-	-	*2,313
Depletion.....	-	-	-	-	-	-	-	-	-
Advertising.....	28,246	15,694	*95	12,458	13,581	-	-	-	*837
Pension, profit-sharing, stock bonus, and annuity plans.....	-	-	-	-	*590	-	-	-	-
Employee benefit programs.....	41,724	*6,308	-	35,416	*14,591	-	-	-	-
Net loss, noncapital assets.....	*572	*28	-	*543	*2,660	-	-	-	*2,520
Other deductions.....	935,207	189,946	*9,209	736,052	496,111	*8,489	-	*1,490	*74,129
Total receipts less total deductions.....	14,217	17,549	*1,952	-5,284	-61,502	*-8,557	-	*297	*-1,276
Net income (less deficit).....	14,217	17,549	*1,952	-5,284	-61,502	*8,557	-	*297	*1,276
Income subject to tax.....	63,402	17,979	*6,737	38,686	42,692	-	-	*297	*3,567
Income tax, total ²	9,525	2,697	*1,010	5,818	8,655	-	-	*45	*535
Regular tax.....	9,525	2,697	*1,010	5,818	8,655	-	-	*45	*535
Recapture of investment credit.....	-	-	-	-	-	-	-	-	-
Alternative minimum tax.....	-	-	-	-	-	-	-	-	-
General business credit.....	*533	-	-	*533	-	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-	-	-	-

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120-A

Table 8--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued								
	Manufacturing--Continued								
	Lumber and wood products	Furniture and fixtures	Paper and allied products	Printing and publishing	Chemical and allied products	Petroleum (including integrated) and coal products	Rubber and miscellaneous plastics products	Leather and leather products	Stone, clay, and glass products
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
Number of returns, total.....	*1,192	-	-	*2,271	*513	*178	*623	-	-
Total assets.....	*63,388	-	-	*94,205	*7,338	*31,161	*21,587	-	-
Cash.....	*1,295	-	-	*17,404	*975	*5,300	*988	-	-
Notes and accounts receivable.....	*5,859	-	-	*23,697	*4,230	*867	*442	-	-
Less: Allowance for bad debts.....	-	-	-	-	-	-	-	-	-
Inventories.....	*3,111	-	-	*11,779	*1,343	*120	*5,794	-	-
Investments in Government obligations.....	-	-	-	-	-	-	-	-	-
Tax-exempt securities.....	-	-	-	-	-	-	-	-	-
Other current assets.....	*8,939	-	-	*1,107	*193	*23,627	*3,652	-	-
Loans to stockholders.....	*15,515	-	-	-	-	-	-	-	-
Mortgage and real estate loans.....	-	-	-	-	-	-	-	-	-
Depreciable, depletable, and intangible assets.....	*57,566	-	-	*70,420	*3,187	*4,588	*16,770	-	-
Less: Accumulated depreciation, depletion, and amortization.....	*29,165	-	-	*31,411	*2,643	*3,342	*8,893	-	-
Land.....	-	-	-	-	-	-	-	-	-
Other assets.....	*268	-	-	*1,209	*52	(')	*2,833	-	-
Total liabilities.....	*63,388	-	-	*94,205	*7,338	*31,161	*21,587	-	-
Accounts payable.....	*18,294	-	-	*20,296	*2,624	*168	*404	-	-
Other current liabilities.....	*2,313	-	-	*1,531	*10	*30,903	-	-	-
Loans from stockholders.....	*522	-	-	*25,548	-	-	*37,091	-	-
Mortgages, notes, and bonds payable in one year or more.....	*10,200	-	-	*7,518	*3,553	-	-	-	-
Other liabilities.....	(')	-	-	*37,218	*16,668	-	-	-	-
Capital stock.....	*20,210	-	-	*12,151	*206	*89	*10,399	-	-
Paid-in or capital surplus.....	-	-	-	-	*11,982	-	*608	-	-
Retained earnings, unappropriated.....	*12,050	-	-	*-10,058	*-27,706	-	*-26,915	-	-
Less: Cost of treasury stock.....	*201	-	-	-	-	-	-	-	-
Total receipts.....	*203,584	-	-	*151,535	*46,317	*18,778	*35,996	-	-
Business receipts.....	*203,581	-	-	*151,421	*46,317	*18,442	*35,738	-	-
Interest.....	*3	-	-	*99	-	-	-	-	-
Interest on Government obligations:	-	-	-	-	-	-	-	-	-
State and local.....	-	-	-	-	-	-	-	-	-
Rents.....	-	-	-	-	-	-	-	-	-
Royalties.....	-	-	-	-	-	-	*258	-	-
Net short-term capital gain reduced by net long-term capital loss.....	-	-	-	-	-	-	-	-	-
Net long-term capital gain reduced by net short-term capital loss.....	-	-	-	-	-	*230	-	-	-
Net gain, noncapital assets.....	-	-	-	-	-	-	-	-	-
Dividends received from domestic corporations.....	-	-	-	-	-	*105	-	-	-
Other receipts.....	-	-	-	*15	-	(')	-	-	-
Total deductions.....	*196,851	-	-	*142,870	*61,450	*21,040	*46,213	-	-
Cost of sales and operations.....	*109,586	-	-	*74,996	*19,127	*5,111	*32,916	-	-
Compensation of officers.....	*16,068	-	-	*7,872	*24,009	*6,439	-	-	-
Repairs.....	*931	-	-	*840	-	-	*69	-	-
Bad debts.....	-	-	-	*856	-	-	-	-	-
Rent paid on business property.....	*9,200	-	-	*13,447	*4,906	*1,970	*5,655	-	-
Taxes paid.....	*5,142	-	-	*4,155	*1,953	*985	*672	-	-
Interest paid.....	*896	-	-	*54	*27	-	*948	-	-
Contributions or gifts.....	-	-	-	-	-	-	*114	-	-
Amortization.....	-	-	-	*1,215	-	-	-	-	-
Depreciation.....	*6,870	-	-	*6,061	*263	*623	*336	-	-
Depletion.....	-	-	-	-	-	-	-	-	-
Advertising.....	*455	-	-	*96	*15	-	*852	-	-
Pension, profit-sharing, stock bonus, and annuity plans.....	-	-	-	*590	-	-	-	-	-
Employee benefit programs.....	*1,625	-	-	*1,691	-	-	-	-	-
Net loss, noncapital assets.....	-	-	-	*125	-	-	-	-	-
Other deductions.....	*46,078	-	-	*31,071	*11,151	*5,902	*4,652	-	-
Total receipts less total deductions.....	*6,732	-	-	*8,665	*-15,133	*-2,262	*-10,217	-	-
Net income (less deficit).....	*6,732	-	-	*8,665	*-15,133	*-2,262	*-10,217	-	-
Income subject to tax.....	*111	-	-	*1,312	-	-	-	-	-
Income tax, total.....	*17	-	-	*196	-	-	-	-	-
Regular tax.....	*17	-	-	*196	-	-	-	-	-
Recapture of investment credit.....	-	-	-	-	-	-	-	-	-
Alternative minimum tax.....	-	-	-	-	-	-	-	-	-
General business credit.....	-	-	-	-	-	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-	-	-	-

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120-A

Table 8--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued							
	Manufacturing--Continued							
	Primary metal industries	Fabricated metal products	Machinery, except electrical	Electrical and electronic equipment	Motor vehicles and equipment	Transportation equipment, except motor vehicles	Instruments and related products	Miscellaneous manufacturing and manufacturing not allocable
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
Number of returns, total.....	*313	2,546	*2,038	*965	*184	*107	*713	*1,296
Total assets.....	*24,929	173,012	*161,987	*68,148	*38,379	*15,474	*8,884	*109,254
Cash.....	*110	*43,607	*13,141	*3,440	*14,537	*67	*100	*17,598
Notes and accounts receivable.....	-	*52,580	*39,577	*15,165	-	-	*1,011	*37,019
Less: Allowance for bad debts.....	-	-	-	-	-	-	-	-
Inventories.....	*125	*4,267	*17,518	*14,434	-	*14,955	*1,463	*10,874
Investments in Government obligations.....	-	-	-	*213	-	-	-	*13,892
Tax-exempt securities.....	-	-	-	-	*6,267	-	-	-
Other current assets.....	-	*6,226	-	*543	*12,045	*59	-	*825
Loans to stockholders.....	-	*17,413	*14,887	*6,379	-	-	-	-
Mortgage and real estate loans.....	-	-	-	-	*5,530	-	-	*109
Depreciable, depletable, and intangible assets.....	*33,804	*157,988	*114,602	*83,231	*2,369	*1,389	*16,281	*49,216
Less: Accumulated depreciation, depletion, and amortization.....	*15,175	*110,922	*58,397	*55,257	*2,369	*995	*10,317	*38,398
Land.....	*6,265	*357	*16,192	-	-	-	-	*3,314
Other assets.....	-	*1,516	*4,468	(')	-	-	*346	*14,806
Total liabilities.....	*24,929	173,012	*161,987	*68,148	*38,379	*15,474	*8,884	*109,254
Accounts payable.....	-	*27,594	*49,605	*2,746	-	-	*846	*38,416
Other current liabilities.....	-	*8,094	*2,954	*17,197	*91	-	-	*16,666
Loans from stockholders.....	-	*3,842	*51,961	*75,732	*9,426	*49,998	*5,892	*4,216
Mortgages, notes, and bonds payable in one year or more.....	*23,564	*17,612	*27,081	*4,677	-	-	-	*21,680
Other liabilities.....	*795	*878	(')	*25,261	-	-	-	*41,985
Capital stock.....	*11,295	*805,837	*24,260	*1,600	-	*10,681	*3,306	*35,477
Paid-in or capital surplus.....	-	*6,187	*27,613	*29,218	-	-	-	*8,165
Retained earnings, unappropriated.....	*-10,725	-697,033	*20,914	*88,282	*28,863	*-45,205	*-1,161	*-57,331
Less: Cost of treasury stock.....	-	-	*554	-	-	-	-	-
Total receipts.....	*4,545	362,093	*191,434	*224,981	*611	*8,176	*17,250	*258,016
Business receipts.....	*2,095	*360,890	*191,357	*224,946	*120	*8,176	*16,818	*256,798
Interest.....	*7	*724	*52	*36	*390	-	*6	*205
Interest on Government obligations:								
State and local.....	-	-	-	-	-	-	-	-
Rents.....	*2,443	*325	-	-	-	-	-	*311
Royalties.....	-	-	-	-	-	-	-	-
Net short-term capital gain reduced by net long-term capital loss.....	-	-	-	-	-	-	-	-
Net long-term capital gain reduced by net short-term capital loss.....	-	*30	-	-	*101	-	-	-
Net gain, noncapital assets.....	-	-	-	-	-	-	-	-
Dividends received from domestic corporations.....	-	-	-	-	-	-	-	-
Other receipts.....	-	*125	*25	(')	(')	-	*426	*702
Total deductions.....	*2,923	364,931	*197,695	*245,973	*1,243	*25,806	*20,819	*247,467
Cost of sales and operations.....	*494	*171,595	*96,556	*88,381	*156	*15,851	*16,638	*119,521
Compensation of officers.....	-	*59,370	*1,309	*27,933	-	*4,721	*97	*24,967
Repairs.....	*228	*1,838	*2,184	*177	-	-	*315	*470
Bad debts.....	-	*85	*77	*1,030	-	-	-	*3,246
Rent paid on business property.....	-	*21,341	*5,213	*11,158	-	-	-	*5,606
Taxes paid.....	*108	*14,365	*2,792	*6,661	-	*1,899	*534	*10,177
Interest paid.....	*1,853	*2,815	*981	*9,693	-	*94	*662	*6,527
Contributions or gifts.....	-	*132	-	-	-	-	-	*21
Amortization.....	-	-	*68	*1,093	-	-	-	*1,281
Depreciation.....	-	*13,179	*4,207	*7,608	-	*267	*2,565	*1,081
Depletion.....	-	-	-	-	-	-	-	-
Advertising.....	-	*1,433	*2,057	*7,008	-	-	-	*704
Pension, profit-sharing, stock bonus, and annuity plans.....	-	-	-	-	-	-	-	-
Employee benefit programs.....	-	*3,927	*378	*559	*285	-	-	*6,125
Net loss, noncapital assets.....	-	-	*15	-	-	-	-	-
Other deductions.....	*240	74,851	*81,858	*84,672	*802	*2,975	*8	*67,741
Total receipts less total deductions.....	*1,622	*2,839	*6,261	*20,992	*632	*17,630	*3,569	*10,549
Net income (less deficit).....	*1,622	*2,839	*6,261	*20,992	*632	*17,630	*3,569	*10,549
Income subject to tax.....	-	*4,204	*11,439	*7,822	-	-	-	*13,940
Income tax, total ²	-	*630	*1,716	*1,449	-	-	-	*4,068
Regular tax.....	-	*630	*1,716	*1,449	-	-	-	*4,068
Recapture of investment credit.....	-	-	-	-	-	-	-	-
Alternative minimum tax.....	-	-	-	-	-	-	-	-
General business credit.....	-	-	-	-	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-	-	-

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120-A

Table 8--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued								
	Transportation and public utilities				Wholesale and retail trade				
	Total	Transportation	Communication	Electric, gas, and sanitary services	Total	Wholesale trade			
						Total	Groceries and related products	Machinery, equipment, and supplies	Miscellaneous wholesale trade
(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	
Number of returns, total.....	13,944	11,028	*1,217	*1,699	62,270	17,030	*1,017	*2,204	13,809
Total assets.....	573,587	390,334	*87,054	*96,198	3,055,197	599,653	*24,496	*97,085	478,072
Cash.....	96,535	49,100	*38,381	*11,054	407,335	120,938	*8,191	*13,994	98,751
Notes and accounts receivable.....	47,294	16,474	*4,082	*26,738	287,354	95,278	-	*30,092	65,186
Less: Allowance for bad debts.....	-	-	-	-	*2,266	*1,428	-	*1,428	-
Inventories.....	*2,031	*152	-	*1,879	1,113,962	152,012	*800	*32,733	118,478
Investments in Government obligations.....	-	-	-	-	*8,110	*1	-	-	*1
Tax-exempt securities.....	-	-	-	-	*15	-	-	-	-
Other current assets.....	14,348	13,995	*353	-	111,711	60,648	-	*10,809	49,839
Loans to stockholders.....	53,683	53,267	*416	-	108,256	*38,640	*4,530	*2,916	*31,194
Mortgage and real estate loans.....	-	-	-	-	*48,593	-	-	-	-
Depreciable, depletable, and intangible assets..	633,375	438,091	*70,625	*124,658	1,730,106	220,823	*33,293	*9,419	178,110
Less: Accumulated depreciation, depletion, and amortization.....	328,548	231,978	*28,124	*68,445	1,036,116	140,247	*22,994	*5,076	112,177
Land.....	*233	*233	-	-	66,246	*4,883	-	*1,374	*3,510
Other assets.....	54,636	*51,001	*3,320	*314	213,891	48,108	*676	*2,252	45,179
Total liabilities.....	573,587	390,334	*87,054	*96,198	3,055,197	599,653	*24,496	*97,085	478,072
Accounts payable.....	171,869	142,529	*28,945	*395	493,869	121,113	*283	*28,167	92,663
Other current liabilities.....	55,685	35,263	*734	*19,688	147,311	32,639	-	*2,677	29,962
Loans from stockholders.....	113,366	100,548	*12,818	-	1,139,772	351,556	-	*7,673	343,883
Mortgages, notes, and bonds payable in one year or more.....	105,537	97,505	-	*8,032	872,168	76,853	*4,687	*425	71,741
Other liabilities.....	*33,370	*33,337	*33	-	99,556	19,855	-	*4,842	14,813
Capital stock.....	191,280	119,542	*60,568	*11,170	600,976	152,598	*1,191	*1,697	149,710
Paid-in or capital surplus.....	*98,873	*11,577	*50,248	*37,048	350,751	43,490	*3,192	*425	*39,873
Retained earnings, unappropriated.....	-195,926	-149,500	*66,292	*19,866	-427,019	-191,917	*15,144	*51,180	-258,241
Less: Cost of treasury stock.....	*467	*467	-	-	222,186	*8,333	-	-	*6,333
Total receipts.....	1,212,389	1,007,542	*80,334	*124,513	8,049,350	1,873,128	*68,839	*276,923	1,527,367
Business receipts.....	1,183,814	992,992	*80,331	*110,491	7,917,733	1,853,122	*68,744	*273,528	1,510,849
Interest.....	4,066	*1,237	*2	*2,827	46,096	4,605	*94	*726	3,784
Interest on Government obligations:	-	-	-	-	-	-	-	-	-
State and local.....	-	-	-	-	-	-	-	-	-
Rents.....	*4,894	*4,894	-	-	*5,092	-	-	-	-
Royalties.....	-	-	-	-	-	-	-	-	-
Net short-term capital gain reduced by net long-term capital loss.....	-	-	-	-	*1,386	*1,386	-	*1,386	-
Net long-term capital gain reduced by net short-term capital loss.....	*3,357	*2,328	-	*1,029	*2,743	*1,237	-	*1,062	*175
Net gain, noncapital assets.....	*209	*209	-	-	*22,050	*423	-	-	*423
Dividends received from domestic corporations.....	-	-	-	-	*2,736	*2,129	-	*141	*1,988
Other receipts.....	16,048	*5,881	*1	*10,167	51,513	10,227	(1)	*80	10,147
Total deductions.....	1,253,400	1,031,580	*101,692	*120,129	8,119,859	1,907,557	*82,485	*266,929	1,558,143
Cost of sales and operations.....	175,201	*112,912	*45,660	*16,829	4,391,656	1,071,636	*34,206	*174,892	862,538
Compensation of officers.....	89,385	72,417	*10,957	*6,011	544,486	223,297	*17,865	*31,329	174,104
Repairs.....	79,644	76,213	*856	*2,575	86,007	7,445	*704	*666	6,075
Bad debts.....	*6,357	*6,088	*115	*153	5,506	*1,923	*437	*1,486	-
Rent paid on business property.....	41,748	30,497	*8,295	*2,956	467,827	66,396	*896	*5,880	59,620
Taxes paid.....	59,928	45,765	*3,116	*11,047	274,126	44,992	*2,514	*11,174	31,305
Interest paid.....	21,921	19,983	*855	*1,082	90,491	12,412	*36	*843	11,532
Contributions or gifts.....	*422	*422	-	-	2,727	*878	-	*81	*797
Amortization.....	*1,922	*1,744	*178	-	6,682	*169	-	*9	*160
Depreciation.....	76,753	66,196	*4,030	*6,526	128,844	21,448	*272	*2,800	18,376
Depletion.....	*810	*810	-	-	-	-	-	-	-
Advertising.....	10,321	9,540	*362	*419	122,991	12,808	-	*1,228	11,580
Pension, profit-sharing, stock bonus, and annuity plans.....	-	-	-	-	*17,005	*7,607	-	*904	*6,703
Employee benefit programs.....	*5,420	*3,894	*495	*1,031	24,870	9,325	*1,598	*2,821	*4,906
Net loss, noncapital assets.....	*10,881	*10,881	-	-	-	-	-	-	-
Other deductions.....	672,689	574,218	*26,772	*71,698	1,956,639	427,218	*23,956	*32,814	370,448
Total receipts less total deductions.....	-41,011	-24,038	*21,358	*4,385	-70,510	-34,428	*13,645	*9,994	-30,777
Net income (less deficit).....	-41,011	-24,038	*21,358	*4,385	-70,510	-34,428	*13,645	*9,994	-30,777
Income subject to tax.....	16,052	14,313	-	*1,739	131,084	44,090	-	*14,354	29,735
Income tax, total ²	2,407	2,147	-	*261	20,383	6,612	-	*2,153	4,460
Regular tax.....	2,407	2,147	-	*261	20,409	6,639	-	*2,153	4,486
Recapture of investment credit.....	-	-	-	-	-	-	-	-	-
Alternative minimum tax.....	-	-	-	-	-	-	-	-	-
General business credit.....	-	-	-	-	*57	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-	-	-	-

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120-A

Table 8—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued									
	Wholesale and retail trade—Continued									
	Retail trade									Wholesale and retail trade not allocable
	Total	Building materials; garden supplies and mobile home dealers	General merchandise stores	Food stores	Automotive dealers and service stations	Apparel and accessory stores	Furniture and home furnishing stores	Eating and drinking places	Miscellaneous retail stores	
(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	
Number of returns, total.....	45,072	*2,394	*456	3,712	4,061	3,867	*1,261	13,089	16,231	*169
Total assets.....	2,436,342	*151,680	*47,979	178,751	154,299	191,060	*119,427	569,892	1,023,253	*19,202
Cash.....	286,159	*11,437	*2,559	*15,402	15,098	28,715	*8,331	94,269	110,348	*240
Notes and accounts receivable.....	173,215	*10,877	*1,691	*52	*10,556	*10,009	*23,679	*5,164	111,187	*18,861
Less: Allowance for bad debts.....	*839	*109	-	-	-	(1)	-	*128	*601	-
Inventories.....	961,951	*78,758	*35,081	*44,802	87,269	125,428	*51,752	48,873	489,986	-
Investments in Government obligations.....	*6,110	-	-	-	-	-	-	-	*6,110	-
Tax-exempt securities.....	*15	*15	-	-	-	-	-	-	-	-
Other current assets.....	51,062	*1,237	-	*987	*2,134	*1,304	-	-	*6,193	39,206
Loans to stockholders.....	69,616	*378	-	*102	*3,511	-	*1,173	*24,843	*39,609	-
Mortgage and real estate loans.....	*48,593	*317	-	-	-	-	-	-	*48,276	-
Depreciable, depletable, and intangible assets.....	1,509,111	*52,159	*20,549	*128,276	*42,658	42,816	*33,903	782,911	405,839	*172
Less: Accumulated depreciation, depletion, and amortization.....	895,798	*26,767	*13,323	*55,270	*24,778	25,522	*21,926	461,414	266,798	*72
Land.....	61,363	*3,729	*1,332	*848	-	-	*551	*35,398	*19,505	-
Other assets.....	165,784	*19,649	*90	*43,551	*17,851	*8,311	*21,964	33,782	20,586	-
Total liabilities.....	2,436,342	*151,680	*47,979	178,751	154,299	191,060	*119,427	569,892	1,023,253	*19,202
Accounts payable.....	352,644	*20,333	*1,390	*7,897	*15,246	65,131	*24,565	57,100	160,981	*20,112
Other current liabilities.....	114,648	*10,199	*311	*8,848	*4,684	*5,060	*2,637	27,316	*55,594	*24
Loans from stockholders.....	788,216	*41,263	*5,550	*25,818	*200,819	*23,674	*8,445	238,577	244,071	-
Mortgages, notes, and bonds payable in one year or more.....	795,315	*13,336	*9,684	*64,184	*54,825	*41,759	*56,757	253,989	300,781	-
Other liabilities.....	79,901	*1,486	-	*331	-	*960	*8,920	*10,427	57,777	-
Capital stock.....	448,376	*61,923	*19,344	19,638	51,391	28,332	*22,583	152,975	92,189	*2
Paid-in or capital surplus.....	307,262	*27,820	*586	*36,751	*6,368	*17,493	*9,748	*57,536	207,773	-
Retained earnings, unappropriated.....	-234,166	*48,160	*12,286	15,284	-34,103	8,651	*-14,227	-227,805	-42,412	*-936
Less: Cost of treasury stock.....	215,854	*17,201	-	-	*144,930	-	-	*222	*53,501	-
Total receipts.....	6,140,462	*391,924	*106,457	419,438	745,108	386,372	*235,575	1,914,184	1,941,403	*35,759
Business receipts.....	6,028,852	*386,669	*106,338	418,532	738,777	376,993	*228,794	1,906,306	1,866,443	*35,759
Interest.....	41,490	*2,243	*8	*48	*1,366	*25	*4,137	3,741	29,923	-
Interest on Government obligations:										
State and local.....	-	-	-	-	-	-	-	-	-	-
Rents.....	*5,092	-	-	-	-	-	*1,266	-	*3,806	-
Royalties.....	-	-	-	-	-	-	-	-	-	-
Net short-term capital gain reduced by net long-term capital loss.....	-	-	-	-	-	-	-	-	-	-
Net long-term capital gain reduced by net short-term capital loss.....	*1,507	-	*111	-	-	-	-	-	*1,396	-
Net gain, noncapital assets.....	*21,627	-	-	-	-	-	-	-	*21,627	-
Dividends received from domestic corporations.....	*607	*400	-	*207	-	-	-	-	-	-
Other receipts.....	41,286	*2,612	(1)	*652	*4,965	*9,354	*1,358	*4,137	18,208	-
Total deductions.....	6,175,973	*398,575	*108,289	409,340	722,048	394,620	*236,536	1,967,736	1,938,829	*36,330
Cost of sales and operations.....	3,284,260	*248,455	*67,954	239,826	497,921	208,415	*140,465	904,543	976,682	*35,759
Compensation of officers.....	321,188	*21,735	*9,680	*29,623	*37,802	*13,054	*18,566	96,610	94,118	-
Repairs.....	78,562	*2,394	*305	*1,836	*17,261	*2,319	*3,165	36,328	14,954	-
Bad debts.....	3,162	*142	*115	-	*46	*46	*1,583	*451	824	*421
Rent paid on business property.....	401,432	*17,492	*2,191	*38,228	*19,302	51,230	*7,667	162,561	102,760	-
Taxes paid.....	229,083	*8,667	*3,892	*11,994	20,980	13,965	*4,625	89,650	75,309	*51
Interest paid.....	78,079	*3,290	*1,524	*6,095	*5,518	*2,076	*5,910	19,948	33,719	-
Contributions or gifts.....	1,849	-	-	*41	*39	*51	*86	*428	1,204	-
Amortization.....	6,479	*552	-	*39	*895	*898	*63	*1,046	*2,987	*34
Depreciation.....	107,396	*6,178	*1,190	8,780	*3,493	4,064	*4,504	42,314	36,873	-
Depletion.....	-	-	-	-	-	-	-	-	-	-
Advertising.....	110,183	*6,084	*978	*4,188	*7,430	*6,921	*3,067	32,032	49,484	-
Pension, profit-sharing, stock bonus, and annuity plans.....	*9,399	-	-	-	-	-	-	-	*9,399	-
Employee benefit programs.....	15,545	*1,633	*1,345	-	*1,388	*777	*1,165	*5,890	*3,347	-
Net loss, noncapital assets.....	-	-	-	-	-	-	-	-	-	-
Other deductions.....	1,529,356	*81,953	*19,116	68,691	110,019	90,806	*45,670	575,933	537,170	*64
Total receipts less total deductions.....	-35,511	*6,651	*-1,833	10,098	23,061	-8,248	*960	-53,552	2,575	*-570
Net income (less deficit).....	-35,511	*6,651	*-1,833	10,098	23,061	-8,248	*960	-53,552	2,575	*-570
Income subject to tax.....	86,994	*1,444	*52	*1,573	*14,529	*2,748	*5,106	27,976	33,566	-
Income tax, total.....	13,770	*216	*8	*236	*1,795	*412	*766	4,197	6,139	-
Regular tax.....	13,770	*216	*8	*236	*1,795	*412	*766	4,197	6,139	-
Recapture of investment credit.....	-	-	-	-	-	-	-	-	-	-
Alternative minimum tax.....	-	-	-	-	-	-	-	-	-	-
General business credit.....	*57	-	-	-	-	-	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-	-	-	-	-

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120-A

Table 8—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued							
	Finance, insurance, and real estate							
	Total	Banking	Credit agencies other than banks	Security, commodity brokers and services	Insurance	Insurance agents, brokers, and service	Real estate	Holding and other investment companies except bank holding companies
	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)
Number of returns, total	45,499	-	*1,649	*910	*1,090	4,639	33,780	3,430
Total assets	3,364,567	-	*93,243	*107,505	*38,221	399,440	2,471,253	254,905
Cash.....	928,436	-	*29,114	*3,165	*19,515	126,639	706,604	43,397
Notes and accounts receivable.....	265,059	-	-	*19,807	-	*67,531	135,750	*41,971
Less: Allowance for bad debts.....	*1,380	-	-	-	-	*635	*745	-
Inventories.....	*77,051	-	-	-	-	-	*77,051	-
Investments in Government obligations.....	*18,429	-	-	-	-	-	*18,223	*205
Tax-exempt securities.....	*14,562	-	-	-	*9,604	-	*4,958	-
Other current assets.....	227,425	-	*22,333	*41,187	*2,614	*12,360	148,111	*820
Loans to stockholders.....	121,217	-	*15,430	*303	*4,414	*19,796	70,198	*11,075
Mortgage and real estate loans.....	156,287	-	*2,517	*19,337	-	*6,310	*93,138	*34,985
Depreciable, depletable, and intangible assets.....	1,922,437	-	*42,485	*12,318	*10,254	204,956	1,636,620	*15,803
Less: Accumulated depreciation, depletion, and amortization.....	1,065,526	-	*34,135	*7,480	*8,463	142,130	859,915	*13,402
Land.....	412,999	-	*15,152	-	*26,988	338,690	338,690	*32,168
Other assets.....	287,573	-	*347	*18,868	*282	77,624	102,569	*87,883
Total liabilities	3,364,567	-	*93,243	*107,505	*38,221	399,440	2,471,253	254,905
Accounts payable.....	161,602	-	*1,347	*929	*34	*54,185	104,354	*754
Other current liabilities.....	201,821	-	*450	*3,625	*882	*22,021	138,500	*38,343
Loans from stockholders.....	429,358	-	*46,483	*16,868	-	*11,217	295,149	*59,641
Mortgages, notes, and bonds payable in one year or more.....	960,241	-	*22,504	-	-	*77,396	834,673	*25,668
Other liabilities.....	731,322	-	*24	*8,582	-	*16,953	698,584	*9,180
Capital stock.....	627,478	-	*87,191	*14,215	*488	25,494	452,728	*47,364
Paid-in or capital surplus.....	379,362	-	*40,681	*7,291	-	*42,019	219,403	*69,968
Retained earnings, unappropriated.....	62,218	-	*36,804	*72,150	*36,818	182,608	-203,186	10,632
Less: Cost of treasury stock.....	188,835	-	*68,632	*16,154	-	*32,453	*64,952	*6,644
Total receipts	2,661,104	-	*183,216	*57,058	*12,844	521,834	1,855,915	30,237
Business receipts.....	2,232,051	-	*177,726	*52,379	*12,194	500,199	1,479,597	*9,956
Interest.....	76,184	-	*892	*1,228	*651	13,986	48,715	10,713
Interest on Government obligations:								
State and local.....	*428	-	-	-	-	-	*428	-
Rents.....	125,038	-	*4,598	*1,750	-	*2,228	116,355	*107
Royalties.....	*5,219	-	-	-	-	-	*650	*4,569
Net short-term capital gain reduced by net long-term capital loss.....	*732	-	-	-	-	*223	*509	-
Net long-term capital gain reduced by net short-term capital loss.....	54,109	-	-	*1,532	-	*2,531	50,047	-
Net gain, noncapital assets.....	*10,176	-	-	-	-	-	*10,176	-
Dividends received from domestic corporations.....	*3,476	-	-	*170	-	*1,116	*25	*2,165
Other receipts.....	153,692	-	(1)	-	(1)	*1,550	149,414	*2,727
Total deductions	2,578,439	-	*179,885	*41,223	*12,089	504,817	1,799,285	41,140
Cost of sales and operations.....	*119,787	-	-	-	*2,887	*11,987	*105,113	-
Compensation of officers.....	406,660	-	*113,485	*9,775	-	*111,658	171,742	-
Repairs.....	102,441	-	*42	*152	*402	4,580	97,243	*22
Bad debts.....	20,068	-	-	-	-	*15,515	*4,554	-
Rent paid on business property.....	87,758	-	*8,048	*2,707	*1,157	*19,512	56,226	*107
Taxes paid.....	149,391	-	*4,066	*2,417	*219	43,357	97,405	1,898
Interest paid.....	72,511	-	*88	*336	-	*5,789	56,621	*9,676
Contributions or gifts.....	2,765	-	-	-	*6	*2,118	*472	*168
Amortization.....	6,088	-	*1,962	-	-	*3,771	*248	*108
Depreciation.....	87,984	-	*2,072	*3,706	*1,097	13,904	66,784	*441
Depletion.....	*621	-	-	-	-	-	-	*621
Advertising.....	36,364	-	*983	*1,742	-	4,428	29,118	*94
Pension, profit-sharing, stock bonus, and annuity plans.....	27,915	-	-	*571	-	*14,434	*12,910	-
Employee benefit programs.....	25,051	-	*1,938	*129	-	*7,228	*15,574	*182
Net loss, noncapital assets.....	*621	-	-	-	-	*38	*583	-
Other deductions.....	1,432,413	-	*47,171	*19,687	*6,520	246,499	1,084,711	27,825
Total receipts less total deductions	82,665	-	*3,331	*15,835	*755	17,017	56,630	-10,903
Net income (less deficit)	82,237	-	*3,331	*15,835	*755	17,017	56,202	-10,903
Income subject to tax	140,409	-	*6,688	*14,024	*1,780	*26,369	80,216	*11,332
Income tax, total	23,805	-	*1,003	*2,235	*267	*5,640	12,960	*1,700
Regular tax.....	23,805	-	*1,003	*2,235	*267	*5,640	12,960	*1,700
Recapture of investment credit.....	-	-	-	-	-	-	-	-
Alternative minimum tax.....	-	-	-	-	-	-	-	-
General business credit	-	-	-	-	-	-	-	-
Prior year minimum tax credit	-	-	-	-	-	-	-	-

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120-A

Table 8--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued							Nature of business not allocable
	Services							
	Total	Hotels and other lodging palces	Personal services	Business services	Auto repair; miscellaneous repair services	Amusement and recreation services	Other services	
	(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)
Number of returns, total.....	103,937	*1,164	5,529	27,685	12,808	10,338	46,413	3,523
Total assets.....	3,339,396	*100,181	332,720	636,817	493,059	315,792	1,460,827	*65,855
Cash.....	867,330	*14,062	74,747	245,701	75,269	81,162	396,389	*12,510
Notes and accounts receivable.....	250,992	-	*9,665	49,483	44,263	*29,752	117,828	*4,416
Less: Allowance for bad debts.....	*6,516	-	-	-	-	-	*6,516	*149
Inventories.....	165,077	-	13,958	*4,865	115,561	*19,003	11,690	*8,072
Investments in Government obligations.....	*1,930	-	-	-	-	-	*1,930	-
Tax-exempt securities.....	*25,017	-	-	-	-	*1,242	*23,775	-
Other current assets.....	239,131	*99	13,418	59,464	*2,833	*51,314	112,003	*1,719
Loans to stockholders.....	175,341	*2,552	*4,624	39,901	*11,875	*11,662	104,727	*1,528
Mortgage and real estate loans.....	*104,143	*18,070	*7,848	*57,753	-	-	*20,471	*4,627
Depreciable, depletable, and intangible assets.....	2,808,758	*114,536	356,687	363,526	520,508	242,651	1,210,849	*6,732
Less: Accumulated depreciation, depletion, and amortization.....	1,679,665	*56,107	195,258	213,260	338,142	125,374	751,525	*4,562
Land.....	133,775	*6,390	*1,843	*74	*34,158	*18,066	73,244	*12,968
Other assets.....	254,084	*579	45,187	29,311	26,734	*6,313	145,961	*17,994
Total liabilities.....	3,339,396	*100,181	332,720	636,817	493,059	315,792	1,460,827	*65,855
Accounts payable.....	181,711	*890	17,529	45,505	41,030	*1,710	75,046	*4,819
Other current liabilities.....	269,927	*305	23,383	34,242	38,229	14,720	159,048	*2,972
Loans from stockholders.....	568,474	*10,602	81,705	145,587	71,469	55,075	204,035	*11,545
Mortgages, notes, and bonds payable in one year or more.....	891,347	*31,115	101,641	126,750	171,512	138,164	322,163	*4,627
Other liabilities.....	122,812	-	*3,931	58,851	*1,487	*12,933	45,809	*4,072
Capital stock.....	550,607	*46,548	25,488	59,264	109,233	62,869	247,205	*8,460
Paid-in or capital surplus.....	218,328	-	*17,759	61,015	12,901	16,862	109,791	*14,252
Retained earnings, unappropriated.....	667,748	*12,070	61,283	117,473	65,894	55,463	355,565	*15,255
Less: Cost of treasury stock.....	131,558	*1,349	-	*11,671	*18,697	*42,005	*57,837	*148
Total receipts.....	10,556,599	*70,091	871,814	2,322,334	1,790,233	795,872	4,706,256	*182,229
Business receipts.....	10,282,625	*69,230	862,499	2,137,820	1,780,238	784,040	4,648,799	*180,768
Interest.....	39,553	*846	*655	12,420	*1,473	5,946	18,212	*698
Interest on Government obligations:								
State and local.....	*2,795	-	*401	-	-	*20	*2,373	-
Rents.....	30,692	-	*4,851	*21,649	*2,344	-	*1,646	-
Royalties.....	-	-	-	-	-	-	-	-
Net short-term capital gain reduced by net long-term capital loss.....	*5,017	-	-	*253	-	-	*4,764	-
Net long-term capital gain reduced by net short-term capital loss.....	2,948	*15	*59	*1,218	-	*342	*1,314	-
Net gain, noncapital assets.....	*7,359	-	-	*79	-	*4,937	*2,342	-
Dividends received from domestic corporations.....	*3,962	-	-	*650	-	*3	*3,309	*472
Other receipts.....	181,449	-	*3,349	148,045	*6,177	*584	23,294	*291
Total deductions.....	10,508,886	*69,381	863,183	2,305,254	1,773,130	783,862	4,714,077	191,197
Cost of sales and operations.....	2,155,062	*333	126,498	590,994	829,472	278,482	329,283	*143,578
Compensation of officers.....	1,950,230	*1,888	107,091	345,899	127,860	*50,453	1,317,038	-
Repairs.....	107,591	*3,771	21,095	14,846	23,534	13,491	30,853	*4,937
Bad debts.....	17,364	*38	*2,177	*1,098	*7,844	*3,261	2,946	-
Rent paid on business property.....	697,988	*23,787	87,302	131,849	93,698	59,041	302,312	*9,660
Taxes paid.....	427,230	*4,340	44,056	84,148	70,239	24,213	200,234	*3,636
Interest paid.....	101,295	*2,136	13,259	17,433	16,048	5,050	47,369	*3,133
Contributions or gifts.....	8,888	*377	*1,492	2,689	578	*453	3,299	-
Amortization.....	9,933	-	*1,246	*2,070	*433	*189	5,996	-
Depreciation.....	259,799	*6,987	36,448	52,308	39,576	31,182	93,298	*1,029
Depletion.....	*64	-	-	-	-	-	*64	-
Advertising.....	129,246	*1,381	11,755	41,525	25,026	19,794	29,765	-
Pension, profit-sharing, stock bonus, and annuity plans.....	100,709	-	-	*10,506	-	-	90,203	-
Employee benefit programs.....	106,254	-	*5,707	22,120	*18,998	*2,948	56,481	-
Net loss, noncapital assets.....	*1,351	-	-	*16	-	*945	*390	-
Other deductions.....	4,435,881	*24,343	405,058	987,752	519,824	294,359	2,204,545	*25,224
Total receipts less total deductions.....	47,714	*710	8,631	17,080	17,103	12,010	-7,821	-8,968
Net income (less deficit).....	44,919	*710	8,230	17,080	17,103	11,990	-10,194	-8,968
Income subject to tax.....	226,869	*1,151	26,001	65,186	25,247	23,376	85,908	*397
Income tax, total ²	41,052	*173	3,900	10,582	3,787	3,998	18,613	*59
Regular tax.....	41,018	*173	3,900	10,582	3,787	3,998	18,579	*59
Recapture of investment credit.....	*34	-	-	-	-	-	*34	-
Alternative minimum tax.....	-	-	-	-	-	-	-	-
General business credit.....	*33	-	-	-	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-	-	-

¹ Estimate should be used with caution because of the small number of sample returns on which it is based.

² Less than \$500 per return.

³ Also includes adjustments to income tax and to total tax which are not shown separately.

NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120-A

Table 9--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry

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

Item	All Industries	Major industry					Nonmetallic minerals, except fuels
		Agriculture, forestry, and fishing	Mining				
			Total	Metal mining	Coal mining	Oil and gas extraction	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of returns, total.....	140,104	4,889	*1,250	-	-	*1,065	*186
Total assets.....	6,980,269	334,302	*113,114	-	-	*87,871	*25,242
Cash.....	1,902,339	59,711	*27,310	-	-	*19,635	*7,675
Notes and accounts receivable.....	781,812	*37,081	*42,119	-	-	*29,258	*12,861
Less: Allowance for bad debts.....	*6,932	-	-	-	-	-	-
Inventories.....	738,052	*38,491	-	-	-	-	-
Investments in Government obligations.....	*20,420	-	-	-	-	-	-
Tax-exempt securities.....	*4,971	-	-	-	-	-	-
Other current assets.....	333,836	*2,332	*4,706	-	-	-	*4,706
Loans to stockholders.....	367,990	*12,515	-	-	-	-	-
Mortgage and real estate loans.....	232,710	-	-	232,710	-	-	-
Depreciable, depletable, and intangible assets.....	4,565,017	151,120	*73,181	-	-	*68,015	*5,165
Less: Accumulated depreciation, depletion, and amortization.....	2,932,439	99,892	*48,256	-	-	*43,091	*5,165
Land.....	385,984	*92,306	-	-	-	-	-
Other assets.....	586,508	40,638	*14,053	-	-	*14,053	-
Total liabilities.....	6,980,269	334,302	*113,114	-	-	*87,871	*25,242
Accounts payable.....	656,191	*5,809	*15,202	-	-	*14,070	*1,131
Other current liabilities.....	359,295	*17,410	*624	-	-	*624	-
Loans from stockholders.....	1,207,144	*45,123	*56,632	-	-	*56,632	-
Mortgages, notes, and bonds payable in one year or more.....	1,458,191	*47,365	*4,744	-	-	*1,640	*3,104
Other liabilities.....	246,090	*23,939	(')	-	-	-	(')
Capital stock.....	815,195	45,408	*4,415	-	-	*2,189	*2,226
Paid-in or capital surplus.....	453,686	*3,841	*7,254	-	-	*7,254	-
Retained earnings, unappropriated.....	2,154,638	145,681	*24,242	-	-	*5,462	*18,780
Less: Cost of treasury stock.....	370,162	*274	-	-	-	-	-
Total receipts.....	17,568,912	520,238	*128,424	-	-	*117,272	*11,151
Business receipts.....	16,987,756	458,812	*84,539	-	-	*84,539	-
Interest.....	127,651	*2,800	*2,829	-	-	*2,549	*280
Interest on Government obligations:							
State and local.....	*448	-	-	-	-	-	-
Rents.....	113,025	*573	*19	-	-	-	*19
Royalties.....	*31,604	*462	*26,064	-	-	*26,064	-
Net short-term capital gain reduced by net long-term capital loss.....	*984	-	-	-	-	-	-
Net long-term capital gain reduced by net short-term capital loss.....	40,360	*2,328	*9,355	-	-	-	*9,355
Net gain, noncapital assets.....	46,794	*1,183	*2,664	-	-	*1,176	*1,488
Dividends received from domestic corporations.....	9,192	-	*11	-	-	-	*11
Other receipts.....	211,098	*56,081	*2,943	-	-	*2,943	-
Total deductions.....	16,529,471	464,990	*99,259	-	-	*97,977	*1,282
Cost of sales and operations.....	6,041,005	*154,434	*8,157	-	-	*8,157	-
Compensation of officers.....	2,119,265	*37,322	*27,282	-	-	*26,837	*445
Repairs.....	267,072	12,650	*430	-	-	*412	*18
Bad debts.....	26,654	*715	-	-	-	-	-
Rent paid on business property.....	787,890	45,862	*3,702	-	-	*3,702	-
Taxes paid.....	647,732	29,272	*2,032	-	-	*1,944	*88
Interest paid.....	187,401	*8,817	*1,146	-	-	*576	*570
Contributions or gifts.....	12,293	*98	*37	-	-	*37	-
Amortization.....	16,445	*61	*161	-	-	*161	-
Depreciation.....	409,642	21,663	*13,153	-	-	*13,153	-
Depletion.....	*7,803	-	*7,118	-	-	*7,118	-
Advertising.....	206,138	*2,132	*747	-	-	*747	-
Pension, profit-sharing, stock bonus, and annuity plans.....	78,442	-	-	-	-	-	-
Employee benefit programs.....	147,822	*6,788	*2,669	-	-	*2,669	-
Net loss, noncapital assets.....	*553	-	-	-	-	-	-
Other deductions.....	5,573,316	145,176	*32,623	-	-	*32,463	*160
Total receipts less total deductions.....	1,039,441	55,248	*29,165	-	-	*19,295	*9,870
Net income (less deficit).....	1,038,993	55,248	*29,165	-	-	*19,295	*9,870
Income subject to tax.....	685,536	37,575	*27,057	-	-	*17,187	*9,870
Income tax, total ².....	115,798	5,793	*4,118	-	-	*2,578	*1,540
Regular tax.....	115,791	5,793	*4,118	-	-	*2,578	*1,540
Recapture of investment credit.....	*34	-	-	-	-	-	-
Alternative minimum tax.....	-	-	-	-	-	-	-
General business credit.....	*656	*34	-	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-	-

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120-A

Table 9—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued.

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

Item	Major industry—Continued								
	Construction				Manufacturing				
	Total	General building contractors and operative builders	Heavy construction contractors	Special trade contractors	Total	Food and kindred products	Tobacco manufactures	Textile mill products	Apparel and other textile products
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
Number of returns, total.....	14,791	4,856	*267	9,669	7,526	-	-	*446	*993
Total assets.....	532,729	233,072	*17,608	282,050	466,193	-	-	*1,639	*34,523
Cash.....	148,620	81,647	*11,456	55,517	70,905	-	-	*1,019	*13,211
Notes and accounts receivable.....	84,318	*22,632	*3,165	58,520	128,575	-	-	*583	*484
Less: Allowance for bad debts.....	-	-	-	-	-	-	-	-	-
Inventories.....	*25,312	*6,677	-	*18,635	52,088	-	-	-	*17,911
Investments in Government obligations.....	-	-	-	-	*14,105	-	-	-	-
Tax-exempt securities.....	-	-	-	-	-	-	-	-	-
Other current assets.....	*14,535	*1,823	*1,361	*11,351	*5,479	-	-	*27	*163
Loans to stockholders.....	69,062	*11,474	-	*57,587	*47,421	-	-	-	-
Mortgage and real estate loans.....	-	-	-	-	-	-	-	-	-
Depreciable, depletable, and intangible assets.....	462,909	128,794	*4,115	330,000	389,090	-	-	-	*57,629
Less: Accumulated depreciation, depletion, and amortization.....	333,643	76,875	*2,489	254,279	273,380	-	-	-	*55,661
Land.....	*31,838	*31,234	-	*604	*25,770	-	-	-	-
Other assets.....	29,779	*25,665	-	*4,114	*6,140	-	-	-	*788
Total liabilities.....	532,729	233,072	*17,608	282,050	466,193	-	-	*1,639	*34,523
Accounts payable.....	147,666	*111,260	-	36,406	49,101	-	-	*1,315	*1,773
Other current liabilities.....	31,571	*2,341	-	29,230	10,278	-	-	-	*1,933
Loans from stockholders.....	71,482	*41,715	-	*29,767	*78,922	-	-	-	*11,701
Mortgages, notes, and bonds payable in one year or more.....	128,818	*69,231	-	*59,588	*60,753	-	-	-	*8,996
Other liabilities.....	10,270	*276	(¹)	*9,993	*38,891	-	-	-	-
Capital stock.....	33,621	10,044	*2,885	20,692	57,131	-	-	*27	*3,940
Paid-in or capital surplus.....	*25,630	*12,894	-	*12,736	*28,580	-	-	-	-
Retained earnings, unappropriated.....	90,159	-14,311	*14,722	89,748	143,091	-	-	*297	*6,180
Less: Cost of treasury stock.....	*6,489	*378	-	*6,110	*554	-	-	-	-
Total receipts.....	2,369,639	866,336	*15,128	1,488,175	1,268,321	-	-	*2,020	*356,642
Business receipts.....	2,362,318	865,042	*14,882	1,482,394	1,263,735	-	-	*2,020	*356,612
Interest.....	*2,679	*1,294	*245	*1,140	*636	-	-	-	*30
Interest on Government obligations:									
State and local.....	-	-	-	-	-	-	-	-	-
Rents.....	-	-	-	-	*3,079	-	-	-	-
Royalties.....	-	-	-	-	-	-	-	-	-
Net short-term capital gain reduced by net long-term capital loss.....	-	-	-	-	-	-	-	-	-
Net long-term capital gain reduced by net short-term capital loss.....	-	-	-	-	*30	-	-	-	-
Net gain, noncapital assets.....	*4,085	-	-	*4,085	-	-	-	-	-
Dividends received from domestic corporations.....	-	-	-	-	-	-	-	-	-
Other receipts.....	*556	(¹)	-	*556	*842	-	-	-	-
Total deductions.....	2,278,802	836,886	*8,391	1,433,525	1,191,027	-	-	*1,723	*344,784
Cost of sales and operations.....	1,291,724	621,281	-	670,444	660,116	-	-	*114	*237,916
Compensation of officers.....	205,799	*36,811	-	168,988	116,153	-	-	-	*24,289
Repairs.....	18,761	*4,677	*1,996	12,087	5,085	-	-	*94	*1,464
Bad debts.....	*572	-	-	*572	*4,102	-	-	-	-
Rent paid on business property.....	25,887	*1,894	*320	23,672	63,144	-	-	-	*23,023
Taxes paid.....	70,627	11,819	*1,426	57,381	40,731	-	-	-	*12,266
Interest paid.....	10,498	6,217	-	4,281	14,009	-	-	-	*844
Contributions or gifts.....	605	*100	-	*504	*159	-	-	-	*5
Amortization.....	*332	*109	*130	*93	*1,904	-	-	-	-
Depreciation.....	39,841	11,299	*795	27,747	21,331	-	-	-	*2,158
Depletion.....	-	-	-	-	-	-	-	-	-
Advertising.....	20,193	*15,115	*95	4,984	6,536	-	-	*25	*507
Pension, profit-sharing, stock bonus, and annuity plans.....	-	-	-	-	*590	-	-	-	-
Employee benefit programs.....	30,803	*2,085	-	28,718	*11,108	-	-	-	-
Net loss, noncapital assets.....	-	-	-	-	*125	-	-	-	-
Other deductions.....	563,160	125,478	*3,628	434,054	245,952	-	-	*1,490	*42,312
Total receipts less total deductions.....	90,836	29,450	*6,737	54,650	77,294	-	-	*297	*11,858
Net income (less deficit).....	90,836	29,450	*6,737	54,650	77,294	-	-	*297	*11,858
Income subject to tax.....	63,402	17,979	*6,737	38,686	42,692	-	-	*297	*3,567
Income tax, total ?.....	9,525	2,697	*1,010	5,818	8,655	-	-	*45	*535
Regular tax.....	9,525	2,697	*1,010	5,818	8,655	-	-	*45	*535
Recapture of investment credit.....	-	-	-	-	-	-	-	-	-
Alternative minimum tax.....	-	-	-	-	-	-	-	-	-
General business credit.....	*533	-	-	*533	-	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-	-	-	-

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120-A

Table 9--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued								
	Manufacturing--Continued								
	Lumber and wood products	Furniture and fixtures	Paper and allied products	Printing and publishing	Chemical and allied products	Petroleum (including integrated) and coal products	Rubber and miscellaneous plastics products	Leather and leather products	Stone, clay, and glass products
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
Number of returns, total.....	*656	-	-	*2,271	-	-	-	-	-
Total assets.....	*31,632	-	-	*94,205	-	-	-	-	-
Cash.....	-	-	-	*17,404	-	-	-	-	-
Notes and accounts receivable.....	-	-	-	*23,697	-	-	-	-	-
Less: Allowance for bad debts.....	-	-	-	-	-	-	-	-	-
Inventories.....	*2,679	-	-	*11,779	-	-	-	-	-
Investments in Government obligations.....	-	-	-	-	-	-	-	-	-
Tax-exempt securities.....	-	-	-	-	-	-	-	-	-
Other current assets.....	-	-	-	*1,107	-	-	-	-	-
Loans to stockholders.....	*15,237	-	-	-	-	-	-	-	-
Mortgage and real estate loans.....	-	-	-	-	-	-	-	-	-
Depreciable, depletable, and intangible assets.....	*38,920	-	-	*70,420	-	-	-	-	-
Less: Accumulated depreciation, depletion, and amortization.....	*25,204	-	-	*31,411	-	-	-	-	-
Land.....	-	-	-	-	-	-	-	-	-
Other assets.....	-	-	-	*1,209	-	-	-	-	-
Total liabilities.....	*31,632	-	-	*94,205	-	-	-	-	-
Accounts payable.....	*12,331	-	-	*20,296	-	-	-	-	-
Other current liabilities.....	*443	-	-	*1,531	-	-	-	-	-
Loans from stockholders.....	*522	-	-	*25,548	-	-	-	-	-
Mortgages, notes, and bonds payable in one year or more.....	*3,933	-	-	*7,518	-	-	-	-	-
Other liabilities.....	(1)	-	-	*37,218	-	-	-	-	-
Capital stock.....	*3,737	-	-	*12,151	-	-	-	-	-
Paid-in or capital surplus.....	-	-	-	-	-	-	-	-	-
Retained earnings, unappropriated.....	*10,665	-	-	*10,058	-	-	-	-	-
Less: Cost of treasury stock.....	-	-	-	-	-	-	-	-	-
Total receipts.....	*132,722	-	-	*151,535	-	-	-	-	-
Business receipts.....	*132,722	-	-	*151,421	-	-	-	-	-
Interest.....	-	-	-	*99	-	-	-	-	-
Interest on Government obligations:	-	-	-	-	-	-	-	-	-
State and local.....	-	-	-	-	-	-	-	-	-
Rents.....	-	-	-	-	-	-	-	-	-
Royalties.....	-	-	-	-	-	-	-	-	-
Net short-term capital gain reduced by net long-term capital loss.....	-	-	-	-	-	-	-	-	-
Net long-term capital gain reduced by net short-term capital loss.....	-	-	-	-	-	-	-	-	-
Net gain, noncapital assets.....	-	-	-	-	-	-	-	-	-
Dividends received from domestic corporations.....	-	-	-	-	-	-	-	-	-
Other receipts.....	-	-	-	*15	-	-	-	-	-
Total deductions.....	*124,607	-	-	*142,870	-	-	-	-	-
Cost of sales and operations.....	*76,959	-	-	*74,996	-	-	-	-	-
Compensation of officers.....	-	-	-	*7,672	-	-	-	-	-
Repairs.....	*442	-	-	*840	-	-	-	-	-
Bad debts.....	-	-	-	*856	-	-	-	-	-
Rent paid on business property.....	*3,678	-	-	*13,447	-	-	-	-	-
Taxes paid.....	*162	-	-	*4,155	-	-	-	-	-
Interest paid.....	*633	-	-	*54	-	-	-	-	-
Contributions or gifts.....	-	-	-	-	-	-	-	-	-
Amortization.....	-	-	-	*1,215	-	-	-	-	-
Depreciation.....	*3,902	-	-	*6,061	-	-	-	-	-
Depletion.....	-	-	-	-	-	-	-	-	-
Advertising.....	*167	-	-	*96	-	-	-	-	-
Pension, profit-sharing, stock bonus, and annuity plans.....	-	-	-	*590	-	-	-	-	-
Employee benefit programs.....	-	-	-	*1,691	-	-	-	-	-
Net loss, noncapital assets.....	-	-	-	*125	-	-	-	-	-
Other deductions.....	*38,664	-	-	*31,071	-	-	-	-	-
Total receipts less total deductions.....	*8,115	-	-	*8,665	-	-	-	-	-
Net income (less deficit).....	*8,115	-	-	*8,665	-	-	-	-	-
Income subject to tax.....	*111	-	-	*1,312	-	-	-	-	-
Income tax, total ²	*17	-	-	*196	-	-	-	-	-
Regular tax.....	*17	-	-	*196	-	-	-	-	-
Recapture of investment credit.....	-	-	-	-	-	-	-	-	-
Alternative minimum tax.....	-	-	-	-	-	-	-	-	-
General business credit.....	-	-	-	-	-	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-	-	-	-

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120-A

Table 9—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued							
	Manufacturing—Continued							
	Primary metal industries	Fabricated metal products	Machinery, except electrical	Electrical and electronic equipment	Motor vehicles and equipment	Transportation equipment, except motor vehicles	Instruments and related products	Miscellaneous manufacturing and manufacturing not allocable
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
Number of returns, total.....	*313	*1,319	*773	*374	-	-	-	*379
Total assets.....	*24,929	*114,751	*69,455	*47,652	-	-	-	*47,409
Cash.....	*110	*25,728	*8,021	*83	-	-	-	*5,330
Notes and accounts receivable.....	-	*45,631	*26,304	*12,303	-	-	-	*19,564
Less: Allowance for bad debts.....	-	-	-	-	-	-	-	-
Inventories.....	*125	*2,102	-	*14,434	-	-	-	*3,057
Investments in Government obligations.....	-	-	-	*213	-	-	-	*13,892
Tax-exempt securities.....	-	-	-	-	-	-	-	-
Other current assets.....	-	*3,755	-	*427	-	-	-	-
Loans to stockholders.....	-	*15,674	*14,887	*1,622	-	-	-	-
Mortgage and real estate loans.....	-	-	-	-	-	-	-	-
Depreciable, depletable, and intangible assets..	*33,604	*79,955	*19,839	*63,486	-	-	-	*25,237
Less: Accumulated depreciation, depletion, and amortization.....	*15,175	*58,095	*19,839	*44,916	-	-	-	*23,079
Land.....	*6,265	-	*16,192	-	-	-	-	*3,314
Other assets.....	-	(')	*4,052	(')	-	-	-	*93
Total liabilities.....	*24,929	*114,751	*69,455	*47,652	-	-	-	*47,409
Accounts payable.....	-	*5,142	-	*38	-	-	-	*8,206
Other current liabilities.....	-	*4,411	-	*1,905	-	-	-	*54
Loans from stockholders.....	-	-	*6,771	*34,380	-	-	-	-
Mortgages, notes, and bonds payable in one year or more.....	*23,564	*10,195	-	*4,677	-	-	-	*1,868
Other liabilities.....	*795	*878	-	(')	-	-	-	-
Capital stock.....	*11,295	*16,127	*589	*1,512	-	-	-	*7,753
Paid-in or capital surplus.....	-	-	*27,460	-	-	-	-	*1,120
Retained earnings, unappropriated.....	*10,725	*77,997	*35,189	*5,139	-	-	-	*28,408
Less: Cost of treasury stock.....	-	-	*554	-	-	-	-	-
Total receipts.....	*4,545	*248,143	*58,395	*165,290	-	-	-	*149,028
Business receipts.....	*2,095	*247,209	*58,395	*165,255	-	-	-	*148,006
Interest.....	*7	*455	-	*36	-	-	-	*10
Interest on Government obligations:	-	-	-	-	-	-	-	-
State and local.....	-	-	-	-	-	-	-	-
Rents.....	*2,443	*325	-	-	-	-	-	*311
Royalties.....	-	-	-	-	-	-	-	-
Net short-term capital gain reduced by net long-term capital loss.....	-	-	-	-	-	-	-	-
Net long-term capital gain reduced by net short-term capital loss.....	-	*30	-	-	-	-	-	-
Net gain, noncapital assets.....	-	-	-	-	-	-	-	-
Dividends received from domestic corporations.	-	-	-	-	-	-	-	-
Other receipts.....	-	*124	-	(')	-	-	-	*702
Total deductions.....	*2,923	*241,917	*46,956	*157,468	-	-	-	*127,778
Cost of sales and operations.....	*494	*111,733	*20,453	*62,598	-	-	-	*74,855
Compensation of officers.....	-	*47,580	-	*27,933	-	-	-	*8,679
Repairs.....	*228	*1,397	-	*131	-	-	-	*470
Bad debts.....	-	-	-	-	-	-	-	*3,246
Rent paid on business property.....	-	*12,504	-	*9,656	-	-	-	*836
Taxes paid.....	*108	*10,121	*572	*5,826	-	-	-	*7,521
Interest paid.....	*1,853	*1,292	-	*4,178	-	-	-	*5,155
Contributions or gifts.....	-	*132	-	-	-	-	-	*21
Amortization.....	-	-	-	*689	-	-	-	-
Depreciation.....	-	*4,290	*223	*4,119	-	-	-	*578
Depletion.....	-	-	-	-	-	-	-	-
Advertising.....	-	*221	*1,631	*3,185	-	-	-	*704
Pension, profit-sharing, stock bonus, and annuity plans.....	-	-	-	-	-	-	-	-
Employee benefit programs.....	-	*3,927	-	-	-	-	-	*5,489
Net loss, noncapital assets.....	-	-	-	-	-	-	-	-
Other deductions.....	*240	*48,719	*24,077	*39,154	-	-	-	*20,224
Total receipts less total deductions.....	*1,622	*6,226	*11,439	*7,822	-	-	-	*21,250
Net income (less deficit).....	*1,622	*6,226	*11,439	*7,822	-	-	-	*21,250
Income subject to tax.....	-	*4,204	*11,439	*7,822	-	-	-	*13,940
Income tax, total ?.....	-	*630	*1,716	*1,449	-	-	-	*4,068
Regular tax.....	-	*630	*1,716	*1,449	-	-	-	*4,068
Recapture of investment credit.....	-	-	-	-	-	-	-	-
Alternative minimum tax.....	-	-	-	-	-	-	-	-
General business credit.....	-	-	-	-	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-	-	-

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120-A

Table 9--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued								
	Transportation and public utilities				Wholesale and retail trade				
	Total	Transportation	Communication	Electric, gas, and sanitary services	Total	Wholesale trade			
						Total	Groceries and related products	Machinery, equipment, and supplies	Miscellaneous wholesale trade
(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	
Number of returns, total.....	5,137	4,755	*195	*186	27,418	6,040	-	*752	5,289
Total assets.....	205,450	150,924	*23,052	*31,474	1,464,434	245,469	-	*59,024	186,446
Cash.....	28,122	18,459	*5,281	*4,383	255,418	65,738	-	*7,543	58,195
Notes and accounts receivable.....	*3,603	*2,953	-	*649	147,607	68,710	-	*26,029	*42,681
Less: Allowance for bad debts.....	-	-	-	-	*1,537	*1,428	-	*1,428	-
Inventories.....	*2,031	*152	-	*1,879	534,974	*36,627	-	*25,656	*10,972
Investments in Government obligations.....	-	-	-	-	*6,110	-	-	-	-
Tax-exempt securities.....	-	-	-	-	*15	-	-	-	-
Other current assets.....	*6,783	*6,783	-	-	41,237	*23,516	-	*136	*23,379
Loans to stockholders.....	*20,830	*20,830	-	-	48,871	*11,361	-	-	*11,361
Mortgage and real estate loans.....	-	-	-	-	*32,689	-	-	-	-
Depreciable, depletable, and intangible assets.....	280,600	209,657	*21,406	*49,537	696,831	81,301	-	*3,212	78,089
Less: Accumulated depreciation, depletion, and amortization.....	158,116	129,407	*3,634	*25,075	451,086	54,375	-	*2,211	52,164
Land.....	*233	*233	-	-	*21,626	-	-	-	-
Other assets.....	*21,384	*21,284	-	*100	131,678	*14,020	-	*88	*13,932
Total liabilities.....	205,450	150,924	*23,052	*31,474	1,464,434	245,469	-	*59,024	186,446
Accounts payable.....	*12,033	*11,639	-	*395	229,470	62,545	-	*26,492	*36,054
Other current liabilities.....	*11,426	*11,237	-	*189	74,236	14,866	-	*2,633	*12,234
Loans from stockholders.....	*9,923	*9,923	-	-	578,384	*124,713	-	*7,673	*117,040
Mortgages, notes, and bonds payable in one year or more.....	*56,890	*56,890	-	-	272,018	*11,179	-	*425	*10,755
Other liabilities.....	*12,159	*12,159	-	-	23,149	*1	-	-	*1
Capital stock.....	64,794	38,607	*21,479	*4,708	209,515	20,169	-	*600	19,568
Paid-in or capital surplus.....	*28,052	-	*20,598	*7,454	94,640	*13,559	-	*425	*13,134
Retained earnings, unappropriated.....	10,838	10,936	*-19,026	*18,727	156,496	4,769	-	*20,778	-16,007
Less: Cost of treasury stock.....	*467	*467	-	-	173,473	*6,333	-	-	*6,333
Total receipts.....	550,995	509,923	*3,325	*37,747	4,594,604	1,021,732	-	*197,027	824,705
Business receipts.....	536,920	505,526	*3,325	*28,069	4,500,598	1,014,411	-	*196,301	818,109
Interest.....	*328	*46	-	*282	35,707	*2,816	-	*646	*1,970
Interest on Government obligations:	-	-	-	-	-	-	-	-	-
State and local.....	-	-	-	-	-	-	-	-	-
Rents.....	*3,348	*3,348	-	-	*5,092	-	-	-	-
Royalties.....	-	-	-	-	-	-	-	-	-
Net short-term capital gain reduced by net long-term capital loss.....	-	-	-	-	-	-	-	-	-
Net long-term capital gain reduced by net short-term capital loss.....	-	-	-	-	*968	*175	-	-	*175
Net gain, noncapital assets.....	*209	*209	-	-	*21,627	-	-	-	-
Dividends received from domestic corporations.....	-	-	-	-	*2,596	*1,988	-	-	*1,988
Other receipts.....	*10,190	*794	-	*9,396	28,217	*2,542	-	*80	*2,462
Total deductions.....	507,785	479,112	*3,046	*25,627	4,385,380	965,855	-	*182,673	783,182
Cost of sales and operations.....	*24,143	*22,073	-	*2,070	2,502,155	645,026	-	*126,935	518,090
Compensation of officers.....	*46,942	*45,730	-	*1,212	277,229	*81,455	-	*13,975	*67,481
Repairs.....	48,077	47,812	-	*265	48,698	*2,065	-	*104	*1,961
Bad debts.....	*153	-	-	*153	3,594	*1,428	-	*1,428	-
Rent paid on business property.....	*8,796	*8,796	-	-	196,563	18,535	-	*5,217	*13,318
Taxes paid.....	28,522	25,108	-	*3,413	143,670	19,156	-	*9,552	9,604
Interest paid.....	*12,476	*12,476	-	-	45,426	4,693	-	*691	*4,002
Contributions or gifts.....	*391	*391	-	-	1,265	*277	-	*8	*288
Amortization.....	*1,852	*1,674	*178	-	*1,454	*107	-	*9	*97
Depreciation.....	40,480	36,455	*2,867	*1,157	59,899	10,868	-	*1,133	9,734
Depletion.....	-	-	-	-	-	-	-	-	-
Advertising.....	*1,225	*1,225	-	-	73,890	7,345	-	*880	*6,465
Pension, profit-sharing, stock bonus, and annuity plans.....	-	-	-	-	*9,399	-	-	-	-
Employee benefit programs.....	*1,379	*1,379	-	-	13,667	*3,892	-	*2,019	*1,874
Net loss, noncapital assets.....	-	-	-	-	-	-	-	-	-
Other deductions.....	293,348	275,992	-	*17,356	1,008,470	171,009	-	*20,720	150,289
Total receipts less total deductions.....	43,211	30,811	*279	*12,120	209,425	55,877	-	*14,354	41,523
Net income (less deficit).....	43,211	30,811	*279	*12,120	209,425	55,877	-	*14,354	41,523
Income subject to tax.....	16,052	14,313	-	*1,739	131,084	44,090	-	*14,354	29,735
Income tax, total ²	2,407	2,147	-	*261	20,383	6,612	-	*2,153	4,460
Regular tax.....	2,407	2,147	-	*261	20,409	6,639	-	*2,153	4,486
Recapture of investment credit.....	-	-	-	-	-	-	-	-	-
Alternative minimum tax.....	-	-	-	-	-	-	-	-	-
General business credit.....	-	-	-	-	*57	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-	-	-	-

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120-A

Table 9—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued									
	Wholesale and retail trade—Continued									
	Retail trade									Wholesale and retail trade not allocable
	Total	Building materials, garden supplies and mobile home dealers	General merchandise stores	Food stores	Automotive dealers and service stations	Apparel and accessory stores	Furniture and home furnishing stores	Eating and drinking places	Miscellaneous retail stores	
(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	
Number of returns, total.....	21,377	*1,062	*111	*2,343	3,502	*1,237	*384	6,002	6,736	-
Total assets.....	1,218,965	*112,091	*27,798	*143,284	113,878	*101,750	*45,358	219,760	455,046	-
Cash.....	189,680	*6,554	*1,577	*6,002	*14,352	*15,311	*3,973	65,136	76,776	-
Notes and accounts receivable.....	78,897	*9,046	-	*52	*3,288	*5,325	*16,586	*4,463	40,136	-
Less: Allowance for bad debts.....	*109	*109	-	-	-	-	-	-	-	-
Inventories.....	498,347	*61,072	*19,369	*27,200	*60,485	*65,686	*20,248	13,362	230,925	-
Investments in Government obligations.....	*6,110	-	-	-	-	-	-	-	*6,110	-
Tax-exempt securities.....	*15	*15	-	-	-	-	-	-	-	-
Other current assets.....	17,721	*1,237	-	*987	*2,134	*388	-	*946	*12,028	-
Loans to stockholders.....	37,511	*378	-	*102	*3,511	-	-	*24,658	*8,862	-
Mortgage and real estate loans.....	*32,689	*317	-	-	-	-	-	-	*32,373	-
Depreciable, depletable, and intangible assets.....	615,530	*29,661	*7,477	*115,967	*34,404	*23,697	*16,399	278,422	109,503	-
Less: Accumulated depreciation, depletion, and amortization.....	396,710	*17,389	*1,957	*50,210	*21,643	*13,106	*12,426	202,835	77,145	-
Land.....	*21,826	*1,674	*1,332	*848	-	-	*551	*16,636	*586	-
Other assets.....	117,658	*19,636	-	*42,336	*17,346	*4,449	*27	*18,973	14,892	-
Total liabilities.....	1,218,965	*112,091	*27,798	*143,284	113,878	*101,750	*45,358	219,760	455,046	-
Accounts payable.....	166,924	*14,608	-	*4,458	*5,294	*50,049	*22,935	*10,126	59,457	-
Other current liabilities.....	59,370	*9,153	*78	*1,657	*3,788	*1,212	*1,675	*13,513	28,293	-
Loans from stockholders.....	453,671	*37,390	*5,550	*12,843	*200,819	*2,503	*5,825	*88,642	100,099	-
Mortgages, notes, and bonds payable in one year or more.....	260,838	*3,458	*7,960	*54,162	*29,831	*24,224	*18,031	*50,015	73,157	-
Other liabilities.....	23,147	*1,486	-	*331	-	-	-	*10,427	*10,903	-
Capital stock.....	189,347	*17,139	*555	*14,143	*44,759	*10,844	*8,094	*53,088	40,725	-
Paid-in or capital surplus.....	81,081	*4,097	-	*36,751	*6,368	*2,436	-	*18,078	*13,352	-
Retained earnings, unappropriated.....	151,726	*41,962	*13,655	*18,940	*32,051	*10,482	*11,202	*23,907	133,849	-
Less: Cost of treasury stock.....	*167,141	*17,201	-	-	*144,930	-	-	*222	*4,788	-
Total receipts.....	3,573,072	*304,054	*30,291	*324,308	687,493	*182,050	*131,034	863,293	1,050,549	-
Business receipts.....	3,486,187	*299,143	*30,180	*323,449	*681,162	*182,027	*128,652	857,257	984,316	-
Interest.....	33,091	*1,899	-	-	*1,366	*22	*66	*3,397	*26,341	-
Interest on Government obligations:	-	-	-	-	-	-	-	-	-	-
State and local.....	-	-	-	-	-	-	-	-	-	-
Rents.....	*5,092	-	-	-	-	-	*1,286	-	*3,806	-
Royalties.....	-	-	-	-	-	-	-	-	-	-
Net short-term capital gain reduced by net long-term capital loss.....	-	-	-	-	-	-	-	-	-	-
Net long-term capital gain reduced by net short-term capital loss.....	*793	-	*111	-	-	-	-	-	*682	-
Net gain, noncapital assets.....	*21,627	-	-	-	-	-	-	-	*21,627	-
Dividends received from domestic corporations.....	*607	*400	-	*207	-	-	-	-	-	-
Other receipts.....	25,675	*2,611	-	*652	*4,965	-	*1,030	*2,640	*13,777	-
Total deductions.....	3,419,525	*300,966	*30,189	*309,359	*662,456	*179,301	*125,927	816,816	994,510	-
Cost of sales and operations.....	1,857,130	*177,839	*19,104	*173,500	*455,711	*105,183	*85,724	352,291	487,777	-
Compensation of officers.....	195,774	*20,338	*2,498	*21,977	*37,802	*10,484	*8,371	48,269	*46,035	-
Repairs.....	46,633	*1,394	*81	*1,352	*17,202	*1,178	*2,429	15,814	7,183	-
Bad debts.....	2,166	*115	-	-	-	*13	*1,583	*145	*311	-
Rent paid on business property.....	178,028	*12,004	*122	*32,891	*18,768	*20,653	*1,405	50,474	41,711	-
Taxes paid.....	124,513	*7,808	*2,581	*10,447	*18,583	*6,123	*2,483	38,866	37,646	-
Interest paid.....	40,734	*2,323	*1,514	*5,083	*4,923	*699	*2,142	*8,857	15,192	-
Contributions or gifts.....	989	-	-	*41	*39	*51	*86	*255	*517	-
Amortization.....	*1,348	-	-	-	*895	*170	*8	-	*275	-
Depreciation.....	49,032	*4,197	*245	*7,944	*2,994	*1,799	*1,292	15,431	15,130	-
Depletion.....	-	-	-	-	-	-	-	-	-	-
Advertising.....	66,545	*5,904	*131	*3,500	*3,416	*3,092	*1,003	10,760	38,738	-
Pension, profit-sharing, stock bonus, and annuity plans.....	*9,399	-	-	-	-	-	-	-	*9,399	-
Employee benefit programs.....	9,775	*1,633	-	-	*1,388	-	*129	*5,029	*1,595	-
Net loss, noncapital assets.....	-	-	-	-	-	-	-	-	-	-
Other deductions.....	837,461	*67,414	*3,932	*52,623	*100,734	*29,857	*19,272	270,627	293,002	-
Total receipts less total deductions.....	153,547	*3,088	*102	*14,948	25,037	*2,748	*5,106	46,477	56,040	-
Net income (less deficit).....	153,547	*3,088	*102	*14,948	25,037	*2,748	*5,106	46,477	56,040	-
Income subject to tax.....	86,994	*1,444	*52	*1,573	*14,529	*2,748	*5,106	27,976	33,566	-
Income tax, total ²	13,770	*216	*8	*236	*1,795	*412	*766	4,197	6,139	-
Regular tax.....	13,770	*216	*8	*236	*1,795	*412	*766	4,197	6,139	-
Recapture of investment credit.....	-	-	-	-	-	-	-	-	-	-
Alternative minimum tax.....	-	-	-	-	-	-	-	-	-	-
General business credit.....	*57	-	-	-	-	-	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-	-	-	*57	-

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120-A

Table 9—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued							
	Finance, insurance, and real estate							
	Total	Banking	Credit agencies other than banks	Security, commodity brokers and services	Insurance	Insurance agents, brokers, and service	Real estate	Holding and other investment companies except bank holding companies
	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)
Number of returns, total.....	23,335	-	*843	*910	*258	2,496	16,663	*2,165
Total assets.....	1,917,388	-	*46,748	*107,505	*18,173	291,828	1,268,986	*184,147
Cash.....	716,911	-	*28,755	*3,165	*14,563	103,389	549,513	*17,525
Notes and accounts receivable.....	156,037	-	-	*19,807	-	*55,175	48,480	*32,576
Less: Allowance for bad debts.....	*835	-	-	-	-	*635	-	-
Inventories.....	*3,221	-	-	-	-	-	*3,221	-
Investments in Government obligations.....	*205	-	-	-	-	-	-	*205
Tax-exempt securities.....	*4,957	-	-	-	-	-	*4,957	-
Other current assets.....	148,083	-	*16,973	*41,187	*2,579	*12,339	74,202	*803
Loans to stockholders.....	52,102	-	-	*303	-	*18,707	*22,017	*11,075
Mortgage and real estate loans.....	*122,111	-	-	*19,337	-	*3,807	*63,981	*34,985
Depreciable, depletable, and intangible assets..	951,936	-	*8,150	*12,318	*3,647	*176,518	743,013	*10,289
Less: Accumulated depreciation, depletion, and amortization.....	573,712	-	*5,477	*7,480	*2,898	*126,945	420,622	*10,289
Land.....	153,313	-	-	-	-	*26,988	126,325	-
Other assets.....	182,860	-	*347	*18,868	*282	*22,485	53,900	*86,978
Total liabilities.....	1,917,388	-	*46,748	*107,505	*18,173	291,828	1,268,986	*184,147
Accounts payable.....	86,967	-	*1,347	*929	-	*43,181	40,756	*754
Other current liabilities.....	69,719	-	*450	*3,625	-	*8,828	56,669	*147
Loans from stockholders.....	143,309	-	*8,601	*16,868	-	-	83,186	*34,654
Mortgages, notes, and bonds payable in one year or more.....	416,678	-	*22,504	-	-	*71,572	296,935	*25,668
Other liabilities.....	103,526	-	*24	*8,582	-	*16,953	68,787	*9,180
Capital stock.....	176,443	-	*559	*14,215	*258	10,094	131,544	*19,774
Paid-in or capital surplus.....	118,362	-	-	*7,291	-	-	*41,301	*69,770
Retained earnings, unappropriated.....	881,594	-	*13,264	*72,150	*17,915	173,197	574,224	*30,845
Less: Cost of treasury stock.....	*79,210	-	-	*16,154	-	*31,997	*24,418	*6,644
Total receipts.....	1,654,894	-	*172,037	*57,058	*4,441	335,954	1,056,426	*28,978
Business receipts.....	1,425,651	-	*171,680	*52,379	*3,866	*323,461	864,309	*9,956
Interest.....	53,192	-	*356	*1,228	*575	*7,634	33,728	*9,671
Interest on Government obligations:								
State and local.....	*428	-	-	-	-	-	*428	-
Rents.....	70,822	-	-	*1,750	-	*1,088	67,984	-
Royalties.....	*5,078	-	-	-	-	-	*615	*4,464
Net short-term capital gain reduced by net long-term capital loss.....	*732	-	-	-	-	*223	*509	-
Net long-term capital gain reduced by net short-term capital loss.....	*24,902	-	-	*1,532	-	*2,048	*21,323	-
Net gain, noncapital assets.....	*9,667	-	-	-	-	-	*9,667	-
Dividends received from domestic corporations.....	*2,542	-	-	*170	-	*208	-	*2,165
Other receipts.....	61,879	-	(1)	-	(1)	*1,293	57,864	*2,722
Total deductions.....	1,466,779	-	*165,349	*41,223	*2,661	307,941	932,797	*16,808
Cost of sales and operations.....	*78,080	-	-	-	-	*11,987	*66,093	-
Compensation of officers.....	265,996	-	*113,485	*9,775	-	*73,958	*68,779	-
Repairs.....	62,540	-	*42	*152	-	*3,635	58,711	-
Bad debts.....	*9,721	-	-	-	-	*9,543	*178	-
Rent paid on business property.....	52,156	-	*3,836	*2,707	*601	*15,498	*29,407	*107
Taxes paid.....	67,004	-	*3,892	*2,417	*176	16,728	43,045	*744
Interest paid.....	44,207	-	*88	*336	-	*5,683	32,283	*5,817
Contributions or gifts.....	2,765	-	-	-	*6	*2,118	*472	*168
Amortization.....	*4,250	-	*148	-	-	*3,771	*243	*87
Depreciation.....	51,548	-	*2,072	*3,706	*402	*11,122	34,028	*217
Depletion.....	*621	-	-	-	-	-	-	*621
Advertising.....	28,908	-	*983	*1,742	-	*2,443	*23,647	*94
Pension, profit-sharing, stock bonus, and annuity plans.....	*8,277	-	-	*571	-	*7,706	-	-
Employee benefit programs.....	*8,083	-	*1,938	*129	-	-	*5,834	*182
Net loss, noncapital assets.....	*38	-	-	-	-	*38	-	-
Other deductions.....	782,584	-	*38,864	*19,687	*1,475	143,711	570,076	*8,771
Total receipts less total deductions.....	188,115	-	*6,688	*15,835	*1,780	28,013	123,629	*12,169
Net income (less deficit).....	187,687	-	*6,688	*15,835	*1,780	28,013	123,202	*12,169
Income subject to tax.....	140,409	-	*6,688	*14,024	*1,780	*26,369	80,216	*11,332
Income tax, total ²	23,805	-	*1,003	*2,235	*267	*5,640	12,960	*1,700
Regular tax.....	23,805	-	*1,003	*2,235	*267	*5,640	12,960	*1,700
Recapture of investment credit.....	-	-	-	-	-	-	-	-
Alternative minimum tax.....	-	-	-	-	-	-	-	-
General business credit.....	-	-	-	-	-	-	-	-
Prior year minimum tax credit.....	-	-	-	-	-	-	-	-

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120-A

Table 9—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued							Nature of business not allocable
	Services							
	Total	Hotels and other lodging palces	Personal services	Business services	Auto repair; miscellaneous repair services	Amusement and recreation services	Other services	
(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)	
Number of returns, total.....	55,084	*571	2,956	15,466	6,423	6,221	23,449	*673
Total assets.....	1,912,273	*29,583	213,029	463,799	266,965	152,844	786,052	*34,387
Cash.....	593,864	*2,621	84,267	196,639	23,387	56,930	250,020	*1,477
Notes and accounts receivable.....	178,056	-	*7,645	41,240	32,070	*29,300	67,800	*4,416
Less: Allowance for bad debts.....	*4,610	-	-	-	-	-	*4,610	*149
Inventories.....	75,164	-	*5,801	*4,498	*46,736	*14,998	*3,130	*6,772
Investments in Government obligations.....	-	-	-	-	-	-	-	-
Tax-exempt securities.....	-	-	-	-	-	-	-	-
Other current assets.....	108,982	*16	*8,580	27,624	*651	*7,037	65,075	*1,719
Loans to stockholders.....	115,661	-	*3,051	28,721	*9,267	*3,248	71,374	*1,528
Mortgage and real estate loans.....	*73,283	*7,682	*7,848	*57,753	-	-	-	*4,627
Depreciable, depletable, and intangible assets..	1,558,320	*45,107	226,689	213,740	303,613	83,915	685,257	*1,029
Less: Accumulated depreciation, depletion, and amortization.....	994,354	*26,900	136,063	133,488	198,530	47,262	452,110	-
Land.....	47,929	*1,057	*371	*74	*30,069	*4,302	*12,057	*12,968
Other assets.....	159,977	-	*24,840	26,998	*19,703	*376	88,059	-
Total liabilities.....	1,912,273	*29,583	213,029	463,799	266,965	152,844	786,052	*34,387
Accounts payable.....	106,111	-	*15,831	20,617	33,355	*1,038	35,270	*3,833
Other current liabilities.....	141,058	*75	*17,343	22,288	16,138	*6,723	78,490	*2,972
Loans from stockholders.....	215,178	*10,555	*31,794	40,431	*44,790	*16,238	71,371	*8,190
Mortgages, notes, and bonds payable in one year or more.....	466,297	-	*52,215	123,531	85,984	*54,731	149,835	*4,627
Other liabilities.....	30,511	-	*333	12,680	*1,026	*12,495	3,976	*3,646
Capital stock.....	218,778	*12,623	12,961	19,304	59,227	12,660	102,003	*5,088
Paid-in or capital surplus.....	133,011	-	*15,343	*39,496	*9,990	*8,493	59,690	*14,316
Retained earnings, unappropriated.....	710,875	*6,329	67,208	185,452	35,153	80,629	336,104	*8,137
Less: Cost of treasury stock.....	*109,547	-	-	-	*18,697	*40,163	*50,688	*148
Total receipts.....	6,470,982	*25,051	555,952	1,283,451	1,070,328	508,378	3,027,821	*10,616
Business receipts.....	6,347,593	*24,255	548,910	1,224,182	1,062,173	497,922	2,990,150	*9,590
Interest.....	29,215	*782	*445	11,654	*429	4,581	11,323	*265
Interest on Government obligations:								
State and local.....	*20	-	-	-	-	*20	-	-
Rents.....	*30,092	-	*4,851	*21,849	*1,550	-	*1,843	-
Royalties.....	-	-	-	-	-	-	-	-
Net short-term capital gain reduced by net long-term capital loss.....	*253	-	-	*253	-	-	-	-
Net long-term capital gain reduced by net short-term capital loss.....	*2,779	*15	*59	*1,218	-	*334	*1,153	-
Net gain, noncapital assets.....	*7,359	-	-	*79	-	*4,937	*2,342	-
Dividends received from domestic corporations.....	*3,572	-	-	*650	-	-	*2,922	*472
Other receipts.....	50,099	-	*1,687	23,566	*6,176	*583	18,087	*290
Total deductions.....	6,125,421	*23,083	529,123	1,188,882	1,020,486	479,704	2,884,143	*10,029
Cost of sales and operations.....	1,316,424	*333	*78,087	271,210	539,382	*184,339	243,074	*5,771
Compensation of officers.....	1,142,540	-	*57,556	255,248	68,811	*40,820	720,105	-
Repairs.....	70,370	*1,746	14,511	7,040	17,404	*6,539	23,129	*481
Bad debts.....	7,796	-	*1,672	*337	*634	*2,808	*2,346	-
Rent paid on business property.....	391,779	*6,225	*42,476	81,812	46,503	*32,959	181,805	-
Taxes paid.....	265,395	*1,481	25,254	51,733	40,583	10,329	136,014	*481
Interest paid.....	50,821	*219	*7,386	12,354	9,479	*2,046	19,336	-
Contributions or gifts.....	6,973	*377	*1,492	2,660	*566	*453	1,425	-
Amortization.....	6,430	-	*23	*2,025	*425	*134	3,823	-
Depreciation.....	160,697	*3,540	26,485	26,634	24,934	*17,274	61,830	*1,029
Depletion.....	*64	-	-	-	-	-	*64	-
Advertising.....	72,507	*895	*5,984	34,886	10,853	*6,649	13,240	-
Pension, profit-sharing, stock bonus, and annuity plans.....	60,176	-	-	*10,506	-	-	49,670	-
Employee benefit programs.....	73,326	-	*3,015	*11,986	*14,014	*2,855	41,456	-
Net loss, noncapital assets.....	*390	-	-	-	-	-	*390	-
Other deductions.....	2,499,735	*8,268	265,181	420,451	246,898	172,499	1,386,439	*2,267
Total receipts less total deductions.....	345,561	*1,968	26,829	94,569	49,843	28,674	143,678	*587
Net income (less deficit).....	345,541	*1,968	26,829	94,569	49,843	28,654	143,678	*587
Income subject to tax.....	228,869	*1,151	26,001	65,186	25,247	23,376	85,908	*397
Income tax, total ²	41,052	*173	3,900	10,582	3,787	3,998	18,613	*59
Regular tax.....	41,018	*173	3,900	10,582	3,787	3,998	18,579	*59
Recapture of investment credit.....	*34	-	-	-	-	-	*34	-
Alternative minimum tax.....	-	-	-	-	-	-	-	-
General business credit.....	*33	-	-	-	-	-	*33	-
Prior year minimum tax credit.....	-	-	-	-	-	-	-	-

¹ Estimate should be used with caution because of the small number of sample returns on which it is based.

² Less than \$500 per return.

³ Also includes adjustments to income tax and to total tax which are not shown separately.

NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120F

Table 10—Income Statement and Selected Tax Items, by Industrial Division and Selected Major Industries

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

Item	Industrial Divisions and Selected Major Industries								
	All Industries	Agriculture, forestry, and fishing	Mining	Construction	Manufacturing	Transportation and public utilities	Wholesale and retail trade		
							Total	Wholesale trade	
								Total	Miscellaneous wholesale trade
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
Number of returns, total.....	9,732	198	331	*51	268	101	482	369	295
Total receipts.....	77,813,412	82,555	660,659	*153,365	2,104,518	402,396	11,938,549	11,723,632	10,958,152
Business receipts.....	27,351,207	72,268	620,813	*139,693	2,085,824	389,667	11,901,084	11,686,309	10,930,006
Interest.....	43,737,035	403	1,349	*321	9,331	*1,494	15,341	15,338	8,633
Interest on Government obligations:									
State and local.....	22,392	-	-	-	-	-	-	-	-
Rents.....	413,280	*638	*185	*193	*1,286	*379	*335	*335	-
Royalties.....	15,941	-	*139	*118	-	-	*147	*147	*147
Net short-term capital gain reduced by net long-term capital loss.....	181,294	-	(')	-	-	-	-	-	-
Net long-term capital gain reduced by net short-term capital loss.....	296,739	*1,040	*12,290	*70	*3,948	5,650	-	-	-
Net gain, noncapital assets.....	264,185	*2,504	*4,480	-	-	423	*67	*67	*67
Dividends received from domestic corporations.....	65,491	-	-	-	(')	-	*486	*486	*392
Dividends received from foreign corporations.....	8	-	-	-	-	-	-	-	-
Other receipts.....	5,465,859	5,702	21,403	*12,969	4,129	4,783	21,110	20,950	18,907
Total deductions.....	76,714,718	110,519	681,255	*187,662	2,191,430	493,419	11,859,613	11,637,781	10,882,413
Cost of sales and operations.....	19,363,215	*15,948	352,089	*125,553	1,855,113	188,326	11,474,228	11,308,790	10,640,732
Compensation of officers.....	409,218	*469	*13,370	*1,810	*6,252	*299	*5,791	*5,625	*4,194
Repairs.....	137,045	660	*11,174	*1,212	1,030	*10,528	1,198	722	406
Bad debts.....	3,328,893	*256	*2,422	*816	*1,205	*1,518	2,970	2,752	2,623
Rent paid on business property.....	827,282	*2,798	*8,829	*4,019	8,931	14,187	18,701	11,562	10,017
Taxes paid.....	1,085,367	3,135	7,158	*2,504	8,513	8,790	16,155	14,140	12,012
Interest paid.....	33,898,613	7,801	15,035	*1,062	25,096	21,963	36,775	36,041	30,332
Contributions or gifts.....	7,677	*128	23	-	39	(')	*136	*136	*136
Amortization.....	124,323	*303	*9,099	2	*11,518	*892	*121	*65	*28
Depreciation.....	821,474	36,360	39,091	*3,906	24,633	51,290	9,821	8,496	6,076
Depletion.....	18,171	*477	14,159	-	-	-	-	-	-
Advertising.....	148,575	*530	*19,394	*54	66,269	*50	9,141	6,974	5,963
Pension, profit-sharing, stock bonus, and annuity plans.....	75,034	-	*3,132	*27	*1,805	1,192	*785	*764	*723
Employee benefit programs.....	238,448	*45	*9,835	*82	10,369	*3,444	4,604	4,313	1,835
Net loss, noncapital assets.....	854,423	*79	*399	*4,627	597	*40	*359	*252	*234
Other deductions.....	15,396,960	41,729	176,067	*41,988	169,060	190,902	278,829	237,150	167,103
Total receipts less total deductions.....	1,098,694	-27,963	-20,596	*-34,298	-86,912	-91,023	78,937	85,851	75,738
Net income (less deficit).....	1,078,302	-27,963	-20,596	*-34,298	-86,912	-91,023	78,937	85,851	75,738
Income subject to tax.....	2,596,389	*1,050	*2,250	*378	*5,382	*6,790	61,187	61,120	52,145
Income tax, total ²	967,101	*427	1,965	*37	*2,161	*2,258	22,562	22,550	19,702
Regular tax.....	857,085	*286	*762	*14	*1,746	*2,254	20,235	20,226	17,382
Recapture of investment credit.....	-	-	-	-	-	-	-	-	-
Personal holding company tax.....	69	69	-	-	-	-	-	-	-
Alternative minimum tax.....	26,703	*27	*1,105	-	398	-	-	-	-
Environmental tax.....	4,281	-	*27	-	17	4	*94	*94	*89
Branch tax.....	78,962	*45	*72	*22	-	-	2,233	2,231	2,231
Foreign tax credit.....	*1,818	-	-	-	-	-	*23	*23	*23
Orphan drug credit.....	-	-	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	-	-	-	-	-	-	-	-	-
General business credit.....	*1,046	-	-	-	212	-	*60	*60	*60
Prior year minimum tax credit.....	7,916	-	-	-	-	-	463	463	463
Total income tax after credits.....	958,321	*427	1,965	*37	*1,949	*2,258	22,016	22,005	19,156
Tax from Section I ³	-	-	-	-	-	-	-	-	-
Tax from Section II ⁴	4,280	78	126	*15	79	*38	205	177	139
U.S. income tax paid or withheld at source on non-effectively connected income.....	30,374	-	-	*957	*393	-	*7,685	*7,685	-
U.S. income tax paid or withheld at source on effectively connected income.....	52,333	*1,029	*86	(')	*1,055	*1,689	*3,256	*3,236	*3,236

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120F

Table 10—Income Statement and Selected Tax Items, by Industrial Division and Selected Major Industries—Continued

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

Item	Industrial Divisions and Selected Major Industries—Continued								
	Wholesale and retail trade—continued		Finance, insurance, and real estate					Services	Nature of business not allocable
	Retail trade	Wholesale and retail trade not allocable	Total	Banking	Insurance	Real estate	Holding and other investment companies, except bank holding companies		
(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	
Number of returns, total.....	92	*21	7,591	287	293	5,974	926	652	*56
Total receipts.....	177,372	*37,546	61,555,516	48,369,182	11,481,714	1,393,291	167,624	914,199	*1,654
Business receipts.....	177,223	*37,532	11,284,812	4,075,676	6,102,247	978,035	*14,295	857,064	*2
Interest.....	*3	-	43,680,898	40,875,491	2,699,557	66,450	34,795	17,005	*895
Interest on Government obligations:									
State and local.....	-	-	22,392	13,985	*2,991	5,103	*313	-	-
Rents.....	-	-	399,930	100,178	162,724	131,851	4,889	*10,334	-
Royalties.....	-	-	10,685	-	-	*1,389	9,297	*4,852	-
Net short-term capital gain reduced by net long-term capital loss.....	-	-	181,294	36,805	130,943	*18	*5,703	-	-
Net long-term capital gain reduced by net short-term capital loss.....	-	-	268,152	43,826	108,310	76,174	39,265	*4,831	*758
Net gain, noncapital assets.....	-	-	252,962	237,944	2,267	10,773	*1,977	*3,728	-
Dividends received from domestic corporations.....	-	-	65,005	2,928	32,775	*644	*27,623	-	-
Dividends received from foreign corporations.....	-	-	8	-	8	-	-	-	-
Other receipts.....	*145	*14	5,379,379	2,982,347	2,239,891	122,855	29,467	16,385	-
Total deductions.....	181,674	*40,158	60,091,123	46,824,359	10,726,146	1,858,155	463,028	1,097,766	*1,931
Cost of sales and operations.....	131,084	*34,353	4,932,050	-	4,850,614	55,645	*1,183	419,927	-
Compensation of officers.....	166	-	335,994	320,244	2,699	1,577	274	45,233	-
Repairs.....	*474	*3	98,991	48,838	56	48,732	*331	12,112	*140
Bad debts.....	17	*201	3,315,797	3,242,559	*30,710	20,281	22,247	*3,910	-
Rent paid on business property.....	6,891	*249	751,403	539,087	45,896	159,651	*1,635	18,319	*96
Taxes paid.....	*1,905	*110	979,274	604,542	148,475	215,184	7,087	38,714	*124
Interest paid.....	*707	*26	33,738,785	33,134,678	154,257	371,219	58,612	52,256	*40
Contributions or gifts.....	-	-	7,021	6,213	263	*181	359	*331	-
Amortization.....	*56	-	100,355	46,675	19,367	34,024	*265	2,034	-
Depreciation.....	*1,307	*18	577,676	274,235	81,041	217,589	1,389	78,697	-
Depletion.....	-	-	*3,535	3,524	-	*6	*5	-	-
Advertising.....	*2,128	*39	36,511	26,181	3,066	7,197	*86	16,610	*17
Pension, profit-sharing, stock bonus, and annuity plans.....	21	-	68,359	48,072	16,722	*42	*110	*1,734	-
Employee benefit programs.....	*291	-	196,183	185,738	*4,248	1,854	*458	13,886	-
Net loss, noncapital assets.....	106	*2	847,746	789,738	944	48,364	*8,658	*575	-
Other deductions.....	36,521	*5,157	14,103,444	7,554,055	5,367,789	676,808	360,328	393,427	*1,515
Total receipts less total deductions.....	-4,302	*-2,612	1,464,393	1,544,823	755,568	-464,864	-295,404	-183,567	*-277
Net income (less deficit).....	-4,302	*2,612	1,442,001	1,530,837	752,577	-469,967	-295,717	-183,567	*277
Income subject to tax.....	*52	*16	2,505,850	2,180,666	244,971	48,211	31,721	12,815	*687
Income tax, total ²	*9	*2	931,787	827,837	69,136	18,772	15,856	5,790	*115
Regular tax.....	*7	*2	827,838	744,217	60,746	12,665	10,134	3,837	*115
Recapture of investment credit.....	-	-	-	-	-	-	-	-	-
Personal holding company tax.....	-	-	-	-	-	-	-	-	-
Alternative minimum tax.....	-	-	24,317	11,458	7,520	1,398	*3,941	*856	-
Environmental tax.....	-	-	4,136	3,270	811	*10	*44	*3	-
Branch tax.....	*2	-	75,498	68,893	*58	4,699	1,736	*1,093	-
Foreign tax credit.....	-	-	1,795	1,795	-	-	-	-	-
Orphan drug credit.....	-	-	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	-	-	-	-	-	-	-	-	-
General business credit.....	-	-	773	773	-	-	(1)	-	-
Prior year minimum tax credit.....	-	-	7,407	3,490	*3,751	*165	2	46	-
Total income tax after credits.....	*9	*2	921,811	821,779	65,385	18,607	15,853	5,744	*115
Tax from Section I ³	-	-	-	-	-	-	-	-	-
Tax from Section II ⁴	*21	*7	2,728	143	179	2,026	344	989	*21
U.S. income tax paid or withheld at source on non-effectively connected income.....	-	-	21,268	12,441	*5,138	3,059	464	*41	*32
U.S. income tax paid or withheld at source on effectively connected income.....	*20	-	40,315	3,673	*4	27,130	9,459	4,268	*636

¹ Estimate should be used with caution because of the small number of sample returns on which it is based.

² Less than \$500 per return.

³ Also includes branch tax, adjustments to income tax, and adjustments to total tax which are not shown separately.

⁴ Tax from Section I is excluded from total income tax amounts since the income is not effectively connected with the conduct of a trade or business in the U.S.

⁵ Tax from Section II is the total tax from Schedule J Tax Computation on effectively connected income with the conduct of a trade or business in the U.S.

NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120F

Table 11—Income Statement and Selected Tax Items, by Industrial Division and Selected Major Industries

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

Item	Industrial Divisions and Selected Major Industries									
	All Industries	Wholesale and retail trade						Total	Wholesale trade	
		Agriculture, forestry, and fishing	Mining	Construction	Manufacturing	Transportation and public utilities	Total		Total	Miscellaneous
									Total	wholesale trade
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)		
Number of returns, total.....	3,507	78	126	*14	79	*38	205	177	139	
Total receipts.....	53,704,636	33,520	582,936	*5,386	438,037	*28,486	7,288,557	7,274,509	6,519,525	
Business receipts.....	16,915,159	*31,505	549,775	*5,386	*427,588	*19,636	7,257,485	7,243,521	6,497,586	
Interest.....	31,563,543	*131	1,192	-	*6,253	*297	10,190	10,189	3,528	
Interest on Government obligations:										
State and local.....	20,193	-	-	-	-	-	-	-	-	
Rents.....	253,214	*393	*185	-	6	228	*335	*335	-	
Royalties.....	4,850	-	2	-	-	-	*82	*82	*82	
Net short-term capital gain reduced by net long-term capital loss.....	151,476	-	(1)	-	-	-	-	-	-	
Net long-term capital gain reduced by net short-term capital loss.....	246,378	*1,032	*12,249	-	*3,948	5,650	-	-	-	
Net gain, noncapital assets.....	217,983	-	*4,358	-	-	5	*67	*67	*67	
Dividends received from domestic corporations.....	62,853	-	-	-	(1)	-	*486	*486	*392	
Dividends received from foreign corporations.....	8	-	-	-	-	-	-	-	-	
Other receipts.....	4,268,979	*459	15,175	-	*243	*2,668	19,910	19,828	17,869	
Total deductions.....	49,681,605	28,764	542,299	*4,992	414,508	*19,901	7,183,817	7,169,883	6,425,515	
Cost of sales and operations.....	11,275,675	*2,624	289,576	*3,544	*255,259	9	6,963,138	6,955,479	6,293,460	
Compensation of officers.....	178,611	-	*8,909	*103	*1,888	*255	*4,478	*4,478	*3,048	
Repairs.....	43,562	*193	*11,174	*9	*461	*52	579	553	244	
Bad debts.....	1,976,619	*252	56	-	*545	-	*311	*311	*182	
Rent paid on business property.....	407,431	*49	*8,806	*48	*3,047	*195	10,077	9,377	8,124	
Taxes paid.....	699,017	1,246	6,782	*151	*3,857	*1,224	10,871	10,262	8,445	
Interest paid.....	23,605,432	*2,057	*6,082	-	18,938	*4,846	29,551	29,298	24,007	
Contributions or gifts.....	7,411	*128	23	-	39	-	*136	*136	*136	
Amortization.....	50,022	*1	*1,700	-	*10,793	*659	*28	*28	*28	
Depreciation.....	341,106	*3,488	13,782	*55	*10,145	*3,721	4,804	4,771	3,278	
Depletion.....	17,143	*477	*13,221	-	-	-	-	-	-	
Advertising.....	104,098	*498	*19,387	*11	*54,535	-	3,857	3,730	2,786	
Pension, profit-sharing, stock bonus, and annuity plans.....	44,113	-	*3,129	*27	*1,537	3	*361	*361	*320	
Employee benefit programs.....	112,496	-	*7,256	*82	*5,898	*97	3,437	3,437	*1,079	
Net loss, noncapital assets.....	443,796	-	156	-	261	-	*204	*204	*187	
Other deductions.....	10,375,070	17,751	152,281	*963	*47,302	*8,840	151,984	147,460	80,193	
Total receipts less total deductions.....	4,023,030	4,756	40,637	*395	23,529	*8,585	104,740	104,626	94,010	
Net income.....	4,002,837	4,756	40,637	*395	23,529	*8,585	104,740	104,626	94,010	
Income subject to tax.....	2,596,389	*1,050	*2,250	*378	*5,382	*6,790	61,187	61,120	52,145	
Income tax, total ²	959,203	*427	1,917	*14	*2,161	*2,258	22,561	22,550	19,701	
Regular tax.....	857,085	*286	*782	*14	*1,746	*2,254	20,235	20,228	17,382	
Recapture of investment credit.....	-	-	-	-	-	-	-	-	-	
Personal holding company tax.....	69	69	-	-	-	-	-	-	-	
Alternative minimum tax.....	25,904	*27	*1,105	-	398	-	-	-	-	
Environmental tax.....	4,279	-	*27	-	17	4	*94	*94	*89	
Branch tax.....	71,866	45	*23	-	-	-	2,232	*2,230	*2,230	
Foreign tax credit.....	*1,818	-	-	-	-	-	*23	*23	*23	
Orphan drug credit.....	-	-	-	-	-	-	-	-	-	
Nonconventional source fuel credit.....	-	-	-	-	-	-	-	-	-	
General business credit.....	*1,046	-	-	-	212	-	*60	*60	*60	
Prior year minimum tax credit.....	7,916	-	-	-	-	-	463	463	463	
Total income tax after credits.....	948,423	*427	1,917	*14	*1,949	*2,258	22,015	22,004	19,155	
Tax from Section I ³	-	-	-	-	-	-	-	-	-	
Tax from Section II ⁴	3,507	78	126	*14	79	*38	205	177	139	
U.S. income tax paid or withheld at source on non-effectively connected income.....	24,700	-	-	-	-	-	*7,685	*7,685	-	
U.S. income tax paid or withheld at source on effectively connected income.....	39,146	*1,029	*86	-	*1,055	*1,689	*3,256	*3,236	*3,236	

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120F

Table 11--Income Statement and Selected Tax Items, by Industrial Division and Selected Major Industries--Continued

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

Item	Industrial Divisions and Selected Major Industries--Continued								
	Wholesale and retail trade--continued		Finance, insurance, and real estate					Services	Nature of business not allocable
	Retail trade	Wholesale and retail trade not allocable	Total	Banking	Insurance	Real estate	Holding and other investment companies, except bank holding companies		
(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	
Number of returns, total.....	*21	*7	2,712	143	179	2,014	340	234	*21
Total receipts.....	*13,911	*136	45,121,193	34,738,772	9,888,448	385,302	97,743	205,763	*758
Business receipts.....	*13,828	*136	8,454,458	3,021,210	5,253,218	174,789	*1,008	169,326	-
Interest.....	*2	-	31,529,980	29,250,551	2,240,297	14,538	18,105	15,499	-
Interest on Government obligations:									
State and local.....	-	-	20,193	13,985	*1,591	4,565	*53	-	-
Rents.....	-	-	249,333	39,824	139,907	67,548	*2,039	*2,733	-
Royalties.....	-	-	*508	-	-	*503	*5	*4,258	-
Net short-term capital gain reduced by net long-term capital loss.....	-	-	151,476	15,772	130,032	*6	5,666	-	-
Net long-term capital gain reduced by net short-term capital loss.....	-	-	218,308	28,084	106,889	59,207	24,128	*4,433	*758
Net gain, noncapital assets.....	-	-	209,997	197,366	2,267	9,389	975	*3,556	-
Dividends received from domestic corporations.....	-	-	62,366	2,214	32,065	*490	27,598	-	-
Dividends received from foreign corporations.....	-	-	8	-	8	-	-	-	-
Other receipts.....	*82	-	4,224,565	2,169,765	1,982,174	54,286	18,167	5,957	-
Total deductions.....	*13,813	*120	41,300,266	31,879,737	9,103,340	280,526	26,404	186,987	*71
Cost of sales and operations.....	*7,594	*65	3,697,371	-	3,690,980	*6,203	*189	*64,154	-
Compensation of officers.....	-	-	159,208	155,864	1,833	*731	274	*3,771	-
Repairs.....	*27	-	30,302	22,273	56	7,925	*47	792	-
Bad debts.....	-	-	1,975,454	1,944,117	*30,710	*628	-	(1)	-
Rent paid on business property.....	*700	-	377,534	329,120	45,608	1,347	*1,229	7,674	-
Taxes paid.....	*609	-	669,294	493,016	136,786	35,775	3,488	5,543	*50
Interest paid.....	*253	-	23,530,839	23,283,998	*152,094	77,190	12,640	13,120	-
Contributions or gifts.....	-	-	6,755	6,032	258	*105	359	*331	-
Amortization.....	-	-	36,258	25,359	3,591	7,066	*242	*584	-
Depreciation.....	*33	-	298,044	171,210	*75,107	51,478	*143	7,068	-
Depletion.....	-	-	*3,444	3,438	-	*5	*2	-	-
Advertising.....	*127	-	24,211	20,606	2,982	614	*8	*1,619	-
Pension, profit-sharing, stock bonus, and annuity plans.....	-	-	38,126	21,486	*16,563	-	40	*930	-
Employee benefit programs.....	-	-	92,645	86,029	*4,095	*369	152	3,081	-
Net loss, noncapital assets.....	-	-	443,163	442,186	944	*2	*28	*13	-
Other deductions.....	*4,468	*56	9,917,618	4,873,003	4,941,734	91,088	7,564	78,308	*21
Total receipts less total deductions.....	*98	*16	3,820,927	2,859,035	785,108	104,776	71,339	18,775	*687
Net income.....	*98	*16	3,800,734	2,845,049	783,517	100,211	71,286	18,775	*687
Income subject to tax.....	*52	*16	2,505,850	2,180,666	244,971	48,211	31,721	12,815	*687
Income tax, total ²	*9	*2	924,720	824,365	69,136	15,655	15,490	5,031	*115
Regular tax.....	*7	*2	827,836	744,217	60,746	12,665	10,134	3,837	*115
Recapture of investment credit.....	-	-	-	-	-	-	-	-	-
Personal holding company tax.....	-	-	-	-	-	-	-	-	-
Alternative minimum tax.....	-	-	24,269	11,458	7,520	1,386	*3,905	*106	-
Environmental tax.....	-	-	4,136	3,270	811	*10	*44	*1	-
Branch tax.....	*2	-	68,479	65,421	*58	1,593	*1,407	*1,086	-
Foreign tax credit.....	-	-	1,795	1,795	-	-	-	-	-
Orphan drug credit.....	-	-	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	-	-	-	-	-	-	-	-	-
General business credit.....	-	-	773	773	-	-	(1)	-	-
Prior year minimum tax credit.....	-	-	7,407	3,490	*3,751	*165	2	46	-
Total income tax after credits.....	*9	*2	914,744	818,307	65,385	15,490	15,488	4,985	*115
Tax from Section I ³	-	-	-	-	-	-	-	-	-
Tax from Section II ⁴	*21	*7	2,712	143	179	2,014	340	234	*21
U.S. income tax paid or withheld at source on non-effectively connected income.....	-	-	16,948	11,523	*5,134	*267	*24	*35	*32
U.S. income tax paid or withheld at source on effectively connected income.....	*20	-	27,281	3,142	*4	17,055	7,080	4,160	*591

¹ Estimate should be used with caution because of the small number of sample returns on which it is based.

² Less than \$500 per return.

³ Also includes branch tax, adjustments to income tax, and adjustments to total tax which are not shown separately.

⁴ Tax from Section I is excluded from total income tax amounts since the income is not effectively connected with the conduct of a trade or business in the U.S.

⁵ Tax from Section II is the total tax from Schedule J Tax Computation on effectively connected income with the conduct of a trade or business in the U.S.

NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, OTHER THAN FORMS 1120S, 1120-REIT, AND 1120-RIC Table 12--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry

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

Item	Major industry						
	All Industries	Agriculture, forestry, and fishing	Mining				Nonmetallic minerals, except fuels
			Total	Metal mining	Coal mining	Oil and gas extraction	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of returns, total.....	2,077,518	72,778	21,097	1,387	1,351	16,438	1,921
Total assets.....	17,244,253,271	48,496,651	206,231,040	30,968,042	18,151,558	143,064,330	14,047,110
Cash.....	695,782,443	3,240,298	6,960,615	1,425,875	468,446	4,397,043	669,251
Notes and accounts receivable.....	3,928,061,523	4,675,247	17,714,785	2,343,709	2,833,193	11,046,483	1,491,400
Less: Allowance for bad debts.....	115,962,753	50,820	208,920	8,904	21,860	140,895	37,260
Inventories.....	761,851,850	6,122,116	6,131,649	1,254,918	916,653	3,072,077	888,000
Investments in Government obligations.....	993,614,316	158,422	850,241	*79,120	*97,686	544,147	*129,288
Tax-exempt securities.....	350,065,916	117,185	257,962	*5,269	*107,381	104,243	*41,069
Other current assets.....	1,183,155,794	1,820,261	7,785,553	1,823,631	798,815	4,393,107	770,001
Loans to stockholders.....	72,070,284	1,259,713	781,372	294,401	24,232	412,618	41,121
Mortgage and real estate loans.....	1,541,180,705	315,878	130,930	656	*1,088	120,523	*8,684
Other investments.....	3,692,392,370	4,484,362	77,876,575	10,928,538	3,031,076	60,415,713	3,501,248
Depreciable assets.....	4,297,767,571	34,745,232	102,362,443	13,047,143	11,928,053	67,876,116	9,711,130
Less: Accumulated depreciation.....	1,900,552,253	21,794,809	50,029,970	5,181,794	6,659,897	32,705,630	5,482,649
Depletable assets.....	126,982,953	553,989	38,823,377	3,198,069	2,005,835	32,567,910	1,051,563
Less: Accumulated depletion.....	58,836,936	155,282	17,366,521	1,005,652	508,726	15,733,303	118,840
Land.....	173,948,730	10,791,473	3,329,847	376,380	846,618	1,405,208	701,641
Intangible assets (amortizable).....	503,848,470	363,708	7,280,951	1,166,528	1,590,587	4,174,895	348,941
Less: Accumulated amortization.....	113,082,245	92,800	2,969,960	401,893	557,024	1,965,370	45,673
Other assets.....	1,111,964,537	1,942,478	6,520,111	1,622,049	1,249,402	3,270,444	378,216
Total liabilities.....	17,244,253,271	48,496,651	206,231,040	30,968,042	18,151,558	143,064,330	14,047,110
Accounts payable.....	1,454,401,358	3,045,997	12,069,239	2,333,496	1,284,111	7,449,916	991,716
Mortgages, notes, and bonds payable in less than one year.....	1,438,993,347	6,973,693	10,643,473	1,532,431	513,383	6,798,491	1,799,168
Other current liabilities.....	5,121,095,042	2,318,975	10,012,601	1,543,400	1,322,236	6,228,678	918,287
Loans from stockholders.....	213,714,330	3,024,377	3,220,568	908,102	247,251	1,876,903	188,312
Mortgages, notes, and bonds payable in one year or more.....	2,537,924,087	11,089,820	47,413,171	5,347,550	4,551,646	35,043,522	2,470,452
Other liabilities.....	2,839,647,818	2,532,452	21,597,324	3,620,512	4,510,551	12,695,682	770,579
Capital stock.....	639,763,598	5,819,925	10,334,305	2,083,763	579,078	6,831,367	840,097
Paid-in or capital surplus.....	1,893,092,175	5,422,950	105,071,492	14,259,327	6,161,425	81,936,406	2,714,334
Retained earnings, appropriated.....	62,139,644	172,580	164,962	14,764	*44	*92,056	*58,098
Retained earnings, unappropriated.....	1,239,828,308	9,359,614	-9,897,777	-538,494	-749,909	-12,469,964	3,860,590
Less: Cost of treasury stock.....	196,346,433	1,263,732	4,398,318	136,810	278,257	3,418,728	564,524
Total receipts.....	9,821,791,797	63,009,543	100,912,600	10,459,208	14,892,668	65,649,294	9,911,431
Business receipts.....	8,569,591,965	58,395,779	91,183,681	9,644,919	13,512,878	58,663,134	9,362,750
Interest.....	733,263,221	484,258	2,661,391	277,540	247,377	1,968,753	167,721
Interest on Government obligations:							
State and local.....	20,414,731	19,924	23,978	*1,082	6,505	14,814	1,576
Rents.....	96,282,051	540,483	374,583	14,604	39,911	248,912	71,157
Royalties.....	41,426,926	90,425	511,421	51,364	136,336	300,613	23,108
Net short-term capital gain reduced by net long-term capital loss.....	7,840,784	14,429	74,459	111	*12,999	60,142	*1,207
Net long-term capital gain reduced by net short-term capital loss.....	44,978,225	659,030	1,095,784	69,025	234,313	752,055	40,391
Net gain, noncapital assets.....	28,544,221	326,788	669,432	41,807	65,530	501,679	60,417
Dividends received from domestic corporations.....	13,109,858	84,135	211,387	28,623	18,048	143,652	21,064
Dividends received from foreign corporations.....	28,883,052	59,577	228,044	34,677	12,501	169,376	*11,491
Other receipts.....	237,456,765	2,334,715	3,878,439	295,456	606,269	2,826,165	150,549
Total deductions.....	9,537,614,781	61,702,542	98,984,240	10,214,305	14,548,371	64,666,492	9,555,072
Cost of sales and operations.....	5,595,307,894	35,317,571	61,852,437	6,051,187	10,135,027	39,797,663	5,868,559
Compensation of officers.....	145,363,211	2,044,645	1,270,923	60,046	94,814	944,486	171,578
Repairs.....	83,452,993	1,170,614	765,600	92,628	179,385	276,508	217,079
Bad debts.....	84,295,872	184,391	265,908	23,482	30,595	182,126	29,705
Rent paid on business property.....	158,822,296	1,757,333	953,318	37,429	97,654	722,309	95,926
Taxes paid.....	233,962,463	1,548,653	2,831,976	268,262	759,737	1,499,152	304,825
Interest paid.....	573,806,696	1,629,854	4,859,243	606,560	406,735	3,503,769	342,179
Contributions or gifts.....	5,521,019	31,774	51,259	5,504	3,798	33,595	8,362
Amortization.....	32,969,532	81,180	558,210	186,157	80,242	260,067	31,744
Depreciation.....	314,311,835	2,436,932	5,289,018	900,920	530,734	3,228,472	628,892
Depletion.....	8,762,130	105,295	2,863,213	694,432	455,657	1,517,723	195,401
Advertising.....	116,042,193	292,894	117,031	4,622	8,285	65,606	38,518
Pension, profit-sharing, stock bonus, and annuity plans.....	50,326,301	136,193	443,569	20,851	63,612	295,377	63,728
Employee benefit programs.....	128,085,860	591,386	1,218,621	63,959	294,877	692,250	167,534
Net loss, noncapital assets.....	18,239,283	138,094	409,485	34,486	14,779	342,685	17,536
Other deductions.....	1,988,345,206	14,235,734	15,234,429	1,163,781	1,392,438	11,304,703	1,373,507
Total receipts less total deductions.....	284,177,017	1,307,001	1,928,360	244,903	344,296	982,802	356,359
Constructive taxable income from related foreign corporations.....	28,104,602	*90,860	208,858	15,667	1	192,581	609
Net income (less deficit).....	291,866,888	1,377,937	2,113,240	259,488	337,791	1,160,569	355,392
Income subject to tax.....	377,722,786	2,002,396	4,260,113	681,191	562,682	2,620,496	395,744
Income tax, total ²	131,154,301	560,625	1,655,055	294,177	245,491	961,312	154,076
Regular tax.....	125,713,398	539,433	1,425,685	232,473	190,031	875,394	127,786
Personal holding company tax.....	20,494	69	*542	-	-	*542	-
Recapture of investment credit.....	23,496	-	*6	-	-	*6	1
Alternative minimum tax.....	4,856,094	19,344	222,172	60,146	54,491	80,841	26,694
Environmental tax.....	496,610	1,015	7,355	1,509	1,193	4,047	607
Foreign tax credit.....	21,520,683	42,801	599,700	132,853	3,686	456,890	*6,272
U.S. possessions tax credit.....	3,748,561	3,944	-	-	-	-	-
Orphan drug credit.....	17,826	-	-	-	-	-	-
Nonconventional source fuel credit.....	233,331	39	20,042	-	172	19,869	-
General business credit.....	1,918,094	13,243	21,221	72	*600	18,940	*1,609
Prior year minimum tax credit.....	2,313,811	6,352	47,459	2,552	11,291	31,412	*2,205
Total income tax after credits.....	101,401,996	494,246	966,632	158,700	229,741	434,201	143,990

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, OTHER THAN FORMS 1120S, 1120-REIT, AND 1120-RIC Table 12—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major Industry—Continued									
	Construction				Food and kindred products			Manufacturing		Apparel and other textile products
	Total	General building contractors and operative builders	Heavy construction contractors	Special trade contractors	Total	Food and kindred products	Tobacco manufactures	Textile mill products		
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)		
Number of returns, total.....	229,120	90,481	11,152	127,488	182,259	9,415	73	3,155	***	
Total assets.....	163,687,755	78,678,555	40,774,453	46,236,747	3,961,200,818	334,889,026	201,988,634	45,082,281	***	
Cash.....	16,702,301	7,212,723	3,829,234	5,660,344	96,321,196	6,986,891	698,883	960,271	***	
Notes and accounts receivable.....	45,357,563	18,290,591	9,018,840	18,048,131	856,833,643	87,691,244	54,908,213	8,208,104	***	
Less: Allowance for bad debts.....	499,902	174,385	118,524	206,993	20,447,342	736,126	*175,969	219,176	***	
Inventories.....	16,866,270	11,206,997	5,533,767	4,125,506	336,648,823	29,609,500	9,375,147	7,574,913	***	
Investments in Government obligations.....	1,296,419	757,379	470,924	68,116	30,646,737	2,208,887	117,554	*742,699	***	
Tax-exempt securities.....	1,159,986	75,168	945,746	139,072	17,552,746	455,351	471,262	*55,069	***	
Other current assets.....	15,948,693	9,352,111	2,898,518	3,898,064	191,077,045	11,861,597	2,951,595	983,361	***	
Loans to stockholders.....	3,543,331	1,227,692	1,227,488	1,088,151	18,927,904	1,203,549	95,657	430,430	***	
Mortgage and real estate loans.....	6,343,259	6,073,410	75,402	194,448	29,455,170	762,925	544,113	*13,957	***	
Other investments.....	20,274,629	9,171,043	9,138,139	1,965,447	984,258,291	73,729,782	73,991,043	5,933,869	***	
Depreciable assets.....	68,172,434	17,431,223	23,710,920	27,030,291	1,711,211,935	121,303,220	20,606,550	26,356,605	***	
Less: Accumulated depreciation.....	42,359,520	9,393,941	15,003,995	17,961,584	864,739,389	53,716,197	7,890,000	13,642,250	***	
Depletable assets.....	436,928	*123,432	253,270	60,225	72,147,524	*81,957	-	24,596	***	
Less: Accumulated depletion.....	149,693	*44,062	68,768	36,863	35,152,740	*19,111	-	1,707	***	
Land.....	4,735,713	2,902,310	945,609	887,793	44,439,043	5,241,928	591,231	370,272	***	
Intangible assets (amortizable).....	1,417,558	522,107	259,252	636,199	278,120,001	33,389,188	40,442,163	2,200,981	***	
Less: Accumulated amortization.....	396,267	146,994	72,729	176,545	63,628,922	3,552,562	4,391,701	682,291	***	
Other assets.....	4,836,055	2,089,751	2,089,751	816,944	277,529,151	18,487,003	9,652,894	5,772,579	***	
Total liabilities.....	163,687,755	76,676,555	40,774,453	46,236,747	3,961,200,818	334,889,026	201,988,634	45,082,281	***	
Accounts payable.....	30,703,911	15,796,107	5,152,496	9,755,308	426,676,466	73,864,156	24,878,452	4,223,151	***	
Mortgages, notes, and bonds payable in less than one year.....	17,875,541	10,427,182	2,484,630	4,963,730	354,028,555	26,875,048	*6,353,767	4,403,125	***	
Other current liabilities.....	22,121,367	11,418,734	3,812,010	6,890,623	343,651,794	21,684,171	11,439,413	3,367,868	***	
Loans from stockholders.....	6,347,193	3,261,009	930,475	2,155,709	73,306,467	4,313,453	14,249,724	445,148	***	
Mortgages, notes, and bonds payable in one year or more.....	26,468,823	16,092,368	5,198,790	5,177,665	847,609,529	71,851,374	56,461,123	11,248,607	***	
Other liabilities.....	10,170,850	4,047,615	4,485,479	1,637,756	569,439,546	25,648,876	17,521,376	4,881,924	***	
Capital stock.....	6,488,870	2,494,446	1,877,931	2,116,493	177,832,253	15,019,701	3,512,912	1,743,013	***	
Paid-in or capital surplus.....	15,555,242	4,831,022	7,963,587	2,760,633	727,039,738	52,988,238	54,432,436	7,462,332	***	
Retained earnings, appropriated.....	313,582	162,502	*21,891	129,189	6,309,618	735,553	123,381	54,230	***	
Retained earnings, unappropriated.....	30,708,022	9,185,231	9,682,065	11,840,726	550,163,550	59,624,811	16,945,177	7,651,695	***	
Less: Cost of treasury stock.....	3,065,647	1,039,660	834,902	1,191,085	114,856,699	17,616,356	3,929,557	398,811	***	
Total receipts.....	332,042,141	143,432,411	58,787,375	129,822,355	3,433,717,887	360,464,419	79,441,400	54,278,761	***	
Business receipts.....	322,884,098	138,907,019	56,177,986	127,799,093	3,190,770,527	344,532,105	71,562,500	52,984,745	***	
Interest.....	2,450,198	1,571,104	548,978	330,115	73,820,431	3,683,923	4,616,968	455,462	***	
Interest on Government obligations:										
State and local.....	95,172	47,583	27,240	20,349	1,601,994	47,776	7,414	11,975	***	
Rents.....	1,007,967	615,661	206,837	185,268	35,114,395	991,648	880,623	120,302	***	
Royalties.....	50,538	7,889	34,256	8,393	32,610,079	2,788,645	570,660	120,383	***	
Net short-term capital gain reduced by net long-term capital loss.....	58,431	22,439	22,854	11,137	827,301	46,852	887	6,603	***	
Net long-term capital gain reduced by net short-term capital loss.....	634,444	260,880	174,105	189,459	11,014,195	659,652	34,047	49,847	***	
Net gain, noncapital assets.....	647,148	183,672	248,454	215,022	8,783,347	253,764	26,661	71,028	***	
Dividends received from domestic corporations.....	112,049	30,107	52,292	29,650	3,731,074	581,248	42,604	15,830	***	
Dividends received from foreign corporations.....	134,881	28,688	103,068	3,125	23,997,713	2,316,354	885,585	76,953	***	
Other receipts.....	3,969,215	1,757,168	1,191,305	1,020,743	51,446,831	4,562,656	814,050	365,631	***	
Total deductions.....	330,835,149	143,067,919	58,089,690	129,677,541	3,322,283,725	346,363,005	72,911,829	52,370,345	***	
Cost of sales and operations.....	250,393,950	116,211,355	44,849,309	89,333,286	2,179,647,392	232,482,739	34,224,068	38,531,965	***	
Compensation of officers.....	11,745,297	3,931,129	1,098,017	6,716,151	28,782,140	2,180,376	380,809	542,576	***	
Repairs.....	1,495,176	332,830	427,529	734,817	29,217,841	2,730,930	174,628	201,096	***	
Bad debts.....	831,119	344,244	100,771	386,104	11,008,199	452,682	84,224	159,743	***	
Rent paid on business property.....	3,398,210	947,992	704,045	1,748,173	34,860,548	2,953,171	447,286	444,824	***	
Taxes paid.....	7,218,486	2,012,471	1,058,156	4,146,858	86,694,697	8,529,646	4,561,140	1,250,129	***	
Interest paid.....	4,113,686	2,198,325	821,226	1,094,134	124,292,791	9,905,267	8,550,701	1,828,323	***	
Contributions or gifts.....	108,107	40,920	31,084	36,104	2,543,259	333,038	*137,444	45,445	***	
Amortization.....	173,930	67,904	29,065	76,961	12,100,968	1,355,232	358,447	163,111	***	
Depreciation.....	5,632,244	1,293,681	1,848,537	2,490,027	121,145,013	8,469,369	2,579,470	1,829,525	***	
Depletion.....	40,953	6,554	25,975	8,424	4,334,694	13,311	26	2,432	***	
Advertising.....	1,030,051	360,884	57,464	611,704	59,267,353	15,992,737	6,186,118	414,239	***	
Pension, profit-sharing, stock bonus, and annuity plans.....	1,510,464	373,654	277,086	859,724	24,915,855	1,382,976	370,522	340,824	***	
Employee benefit programs.....	3,111,997	875,909	489,819	1,746,269	58,623,886	4,731,317	1,188,273	823,048	***	
Net loss, noncapital assets.....	281,126	162,978	50,309	67,839	3,045,835	182,618	*3,847	24,855	***	
Other deductions.....	39,750,352	13,907,089	6,220,298	19,622,966	541,803,257	54,667,598	13,666,826	5,768,209	***	
Total receipts less total deductions.....	1,206,992	364,492	697,685	144,814	111,434,162	14,101,414	6,529,571	1,908,416	***	
Constructive taxable income from related foreign corporations.....	143,793	22,111	120,252	*1,430	18,899,805	1,834,534	640,849	31,284	***	
Net income (less deficit).....	1,255,613	339,020	790,697	125,895	128,731,973	15,888,173	7,163,007	1,927,725	***	
Income subject to tax.....	5,259,622	1,992,736	1,263,022	2,003,863	151,674,465	16,783,012	6,906,630	2,204,226	***	
Income tax, total.....	1,546,865	583,303	444,226	519,337	53,345,704	5,899,123	2,416,596	778,852	***	
Regular tax.....	1,455,891	558,894	402,977	493,820	51,301,644	5,700,244	2,347,764	746,152	***	
Personal holding company tax.....	*76	*76	-	-	*231	-	-	-	***	
Recapture of investment credit.....	326	*235	*40	51	3,914	474	83	(¹)	***	
Alternative minimum tax.....	79,843	19,854	36,455	23,534	1,822,247	177,194	59,390	29,724	***	
Environmental tax.....	2,333	949	1,211	173	199,706	20,738	9,976	2,976	***	
Foreign tax credit.....	88,527	32,782	52,753	*2,993	15,358,288	1,283,299	377,791	31,006	***	
U.S. possessions tax credit.....	2,596	879	1,251	467	3,619,287	525,965	29,193	1,816	***	
Orphan drug credit.....	-	-	-	-	17,826	-	-	-	***	
Nonconventional source fuel credit.....	*397	*273	*124	-	134,312	*11	-	-	***	
General business credit.....	27,299	7,850	11,604	7,845	943,443	52,323	*2,979	17,057	***	
Prior year minimum tax credit.....	55,350	22,406	14,164	18,780	444,728	61,194	-	17,384	***	
Total income tax after credits.....	1,372,695	519,112	384,330	489,252	32,827,821	3,976,330	2,006,632	711,588	***	

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, OTHER THAN FORMS 1120S, 1120-REIT, AND 1120-RIC Table 12—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major Industry—Continued								
	Manufacturing—Continued								
	Lumber and wood products	Furniture and fixtures	Paper and allied products	Printing and publishing	Chemical and allied products	Petroleum (including integrated) and coal products	Rubber and miscellaneous plastics products	Leather and leather products	Stone, clay, and glass products
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
Number of returns, total.....	11,471	7,634	***	29,828	***	1,379	7,045	842	***
Total assets.....	58,025,555	17,732,312	***	191,469,197	***	605,987,309	50,796,107	16,514,437	***
Cash.....	1,718,869	651,645	***	5,307,707	***	3,063,592	1,374,388	262,215	***
Notes and accounts receivable.....	4,998,964	4,282,142	***	25,698,380	***	74,948,013	9,417,166	4,119,299	***
Less: Allowance for bad debts.....	116,553	151,625	***	2,263,014	***	788,937	324,274	52,405	***
Inventories.....	5,506,792	3,463,740	***	8,698,130	***	21,426,495	7,386,818	2,637,345	***
Investments in Government obligations.....	*285,451	*22,165	***	638,674	***	294,795	*29,982	*36,127	***
Tax-exempt securities.....	*847,517	56,972	***	460,681	***	*269,358	20	16,262	***
Other current assets.....	2,735,786	733,386	***	8,785,812	***	27,499,790	1,302,007	685,858	***
Loans to stockholders.....	144,685	48,526	***	1,145,478	***	2,559,471	212,286	9,651	***
Mortgage and real estate loans.....	2,397,156	*5,891	***	86,517	***	83,410	*18,013	592	***
Other investments.....	10,913,449	1,799,593	***	74,096,135	***	251,316,967	8,206,160	535,741	***
Depreciable assets.....	35,020,475	9,473,832	***	64,443,577	***	321,818,584	32,676,379	5,369,050	***
Less: Accumulated depreciation.....	19,072,276	5,043,020	***	33,413,327	***	168,048,422	15,640,932	3,026,087	***
Depletable assets.....	4,268,918	*1,061	***	*124,418	***	50,047,044	*49,764	590	***
Less: Accumulated depletion.....	148,441	623	***	*84,925	***	28,410,431	*14,858	-	***
Land.....	880,101	230,365	***	2,182,876	***	7,697,539	507,107	5,219,952	***
Intangible assets (amortizable).....	411,995	1,886,849	***	28,314,728	***	43,172,491	3,018,279	571,000	***
Less: Accumulated amortization.....	109,283	260,300	***	6,750,647	***	23,625,827	685,186	137,884	***
Other assets.....	7,341,949	531,912	***	13,997,996	***	22,663,378	3,262,986	287,130	***
Total liabilities.....	58,025,555	17,732,312	***	191,469,197	***	605,987,309	50,796,107	16,514,437	***
Accounts payable.....	3,895,359	2,242,744	***	10,967,423	***	53,363,411	5,187,265	1,252,531	***
Mortgages, notes, and bonds payable in less than one year.....	3,349,495	1,211,218	***	9,322,558	***	31,184,518	5,464,400	454,527	***
Other current liabilities.....	4,012,982	1,855,734	***	18,270,996	***	25,609,794	4,612,639	1,655,016	***
Loans from stockholders.....	326,887	137,800	***	3,389,919	***	9,192,995	941,940	*33,094	***
Mortgages, notes, and bonds payable in one year or more.....	15,651,088	4,420,763	***	52,778,642	***	104,098,993	12,209,839	6,682,863	***
Other liabilities.....	9,926,173	1,025,973	***	14,876,825	***	97,717,928	6,901,097	4,940,541	***
Capital stock.....	1,670,565	977,476	***	10,945,796	***	18,774,839	2,736,788	865,043	***
Paid-in or capital surplus.....	8,982,753	2,261,905	***	50,541,737	***	150,904,221	10,304,488	854,671	***
Retained earnings, appropriated.....	91,813	*817	***	45,300	***	489,059	58,177	8,759	***
Retained earnings, unappropriated.....	10,625,169	3,832,091	***	25,848,958	***	140,972,279	2,796,333	-19,948	***
Less: Cost of treasury stock.....	506,727	233,488	***	5,518,958	***	26,320,727	416,859	212,661	***
Total receipts.....	62,762,231	30,120,327	***	151,121,279	***	497,688,252	64,848,812	17,142,187	***
Business receipts.....	60,092,409	29,206,556	***	142,390,123	***	470,746,861	62,297,423	16,462,521	***
Interest.....	1,120,546	106,002	***	2,386,158	***	8,865,291	669,498	315,716	***
Interest on Government obligations:									
State and local.....	7,969	8,837	***	40,900	***	33,779	4,434	4,236	***
Rents.....	99,931	24,843	***	615,437	***	2,502,300	101,915	26,426	***
Royalties.....	55,688	77,138	***	1,766,286	***	1,312,212	296,235	46,190	***
Net short-term capital gain reduced by net long-term capital loss.....	33,200	*4,534	***	50,833	***	28,108	*3,687	*173	***
Net long-term capital gain reduced by net short-term capital loss.....	399,091	188,325	***	498,204	***	478,109	166,254	54,011	***
Net gain, noncapital assets.....	116,951	23,437	***	206,909	***	1,514,686	218,133	654	***
Dividends received from domestic corporations.....	22,779	5,643	***	144,132	***	679,698	15,641	3,706	***
Dividends received from foreign corporations.....	58,905	111,178	***	338,978	***	3,267,649	301,708	17,370	***
Other receipts.....	754,762	363,834	***	2,683,320	***	8,259,559	773,884	211,185	***
Total deductions.....	60,927,480	29,002,110	***	143,779,678	***	481,778,501	63,351,391	16,761,221	***
Cost of sales and operations.....	44,401,914	20,173,717	***	69,504,641	***	367,717,994	42,483,317	11,313,039	***
Compensation of officers.....	821,587	488,110	***	3,707,110	***	563,859	965,932	160,617	***
Repairs.....	1,002,471	107,610	***	891,584	***	4,731,830	550,850	54,842	***
Bad debts.....	109,682	110,418	***	1,184,619	***	534,684	198,380	39,898	***
Rent paid on business property.....	511,309	395,476	***	2,613,060	***	4,135,165	757,582	307,288	***
Taxes paid.....	1,325,387	752,121	***	4,222,171	***	21,157,730	1,288,852	490,373	***
Interest paid.....	1,792,146	570,921	***	5,911,016	***	15,169,570	1,943,467	683,516	***
Contributions or gifts.....	26,008	18,535	***	270,691	***	277,739	22,377	12,308	***
Amortization.....	58,337	69,083	***	2,121,447	***	1,300,694	196,610	27,729	***
Depreciation.....	1,878,338	643,943	***	5,126,894	***	12,970,069	2,293,227	323,583	***
Depletion.....	430,785	*2,407	***	*9,447	***	2,484,402	*5,329	94,376	***
Advertising.....	283,636	470,580	***	3,315,714	***	1,018,855	789,901	321,814	***
Pension, profit-sharing, stock bonus, and annuity plans.....	346,161	159,445	***	1,095,003	***	1,413,077	558,447	48,546	***
Employee benefit programs.....	640,985	525,634	***	3,031,636	***	4,061,292	1,319,549	186,868	***
Net loss, noncapital assets.....	35,938	21,499	***	183,061	***	184,859	51,270	12,241	***
Other deductions.....	7,262,795	4,492,610	***	40,591,585	***	44,056,684	9,926,303	2,684,181	***
Total receipts less total deductions.....	1,834,751	1,118,217	***	7,341,602	***	15,909,751	1,497,421	380,966	***
Constructive taxable income from related foreign corporations.....	12,999	64,643	***	229,980	***	3,476,238	232,904	9,225	***
Net income (less deficit).....	1,839,781	1,174,024	***	7,530,682	***	19,352,209	1,725,891	385,956	***
Income subject to tax.....	1,862,702	1,312,179	***	8,186,719	***	19,789,0			

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, OTHER THAN FORMS 1120S, 1120-REIT, AND 1120-RIC Table 12--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major Industry--Continued							
	Manufacturing--Continued							
	Primary metal industries	Fabricated metal products	Machinery, except electrical	Electrical and electronic equipment	Motor vehicles and equipment	Transportation equipment, except motor vehicles	Instruments and related products	Miscellaneous manufacturing and manufacturing not allocable
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
Number of returns, total.....	3,218	28,590	20,918	12,894	1,825	2,255	6,021	12,356
Total assets.....	120,627,703	103,896,745	245,146,451	424,184,449	415,436,856	138,264,028	126,659,263	65,199,510
Cash.....	4,387,815	4,133,177	9,061,921	15,562,631	6,950,269	7,202,939	5,052,673	3,093,614
Notes and accounts receivable.....	21,163,737	21,188,270	63,774,641	135,117,258	150,439,088	26,388,415	28,722,783	13,293,742
Less: Allowance for bad debts.....	414,999	479,208	1,601,165	6,613,325	1,820,417	882,610	686,542	649,668
Inventories.....	15,230,189	16,302,490	33,856,918	36,205,944	17,040,823	31,663,983	14,238,868	7,741,036
Investments in Government obligations.....	236,558	256,632	1,198,238	11,203,743	3,833,278	*228,248	7,200,590	178,649
Tax-exempt securities.....	*15,260	201,340	870,878	8,204,558	772,907	*354,131	1,111,453	657,961
Other current assets.....	4,408,969	3,687,205	14,869,338	38,221,364	23,468,769	4,877,678	8,578,312	3,440,936
Loans to stockholders.....	1,616,432	375,356	2,712,618	589,621	252,472	652,676	145,479	338,250
Mortgage and real estate loans.....	*1,077,172	107,313	107,998	2,988,088	*16,536,485	*228,858	108,940	200,348
Other investments.....	17,883,367	16,847,990	37,848,563	59,204,381	75,694,185	16,643,462	21,768,831	16,468,464
Depreciable assets.....	81,170,353	54,228,662	117,984,820	158,713,258	144,955,397	87,828,392	46,083,981	20,947,968
Less: Accumulated depreciation.....	41,943,800	29,417,048	68,588,941	83,444,624	75,324,376	34,468,903	24,486,688	10,253,083
Depletable assets.....	2,805,318	137,488	118,551	*73,286	632	215,598	*4,338	246,401
Less: Accumulated depletion.....	1,083,922	*86,488	20,435	*24,002	455	34,261	*1,104	84,888
Land.....	1,374,350	1,349,144	2,537,415	2,435,604	1,651,674	1,801,839	1,085,443	622,024
Intangible assets (amortizable).....	5,688,600	7,435,720	15,151,530	20,243,105	13,402,878	5,442,970	7,679,270	6,033,450
Less: Accumulated amortization.....	792,164	885,810	3,182,054	4,259,614	1,806,097	806,181	1,945,076	1,253,835
Other assets.....	7,603,668	8,614,512	16,365,522	31,783,190	39,189,237	11,330,595	9,989,731	4,188,122
Total liabilities.....	120,827,703	103,896,745	245,146,451	424,184,449	415,436,856	138,264,028	126,659,263	65,199,510
Accounts payable.....	14,341,938	10,760,878	28,558,451	42,106,216	39,769,437	13,999,941	11,459,101	6,894,165
Mortgages, notes, and bonds payable in less than one year.....	5,178,409	8,160,212	25,640,910	80,177,685	73,808,280	6,265,047	6,551,083	4,423,603
Other current liabilities.....	12,414,345	9,023,694	22,771,774	34,142,068	35,785,046	30,812,468	21,036,151	9,339,148
Loans from stockholders.....	2,624,261	1,962,576	2,235,232	2,204,814	1,785,008	693,297	1,185,950	1,555,702
Mortgages, notes, and bonds payable in one year or more.....	28,972,264	21,188,178	60,394,484	58,488,751	100,308,388	27,335,052	23,848,794	16,089,235
Other liabilities.....	10,630,692	26,891,789	97,624,899	97,059,157	19,990,301	11,666,705	4,202,485	4,202,485
Capital stock.....	7,266,762	7,045,385	21,651,153	17,126,991	8,554,082	7,537,884	6,879,747	4,385,368
Paid-in or capital surplus.....	30,207,807	19,122,089	61,083,680	53,348,777	51,825,327	10,970,888	21,687,407	12,578,498
Retained earnings, appropriated.....	85,393	74,462	659,237	29,009	*16,645	284,475	1,031,152	63,597
Retained earnings, unappropriated.....	-8,041,434	18,421,898	21,204,888	48,012,360	8,095,591	23,910,008	24,052,637	7,101,507
Less: Cost of treasury stock.....	2,064,738	3,337,433	5,925,308	9,073,122	1,380,084	3,715,332	4,539,484	1,444,998
Total receipts.....	121,239,158	128,320,218	255,333,909	321,531,234	300,308,791	172,839,985	115,998,172	80,171,890
Business receipts.....	117,460,062	125,077,836	220,969,532	288,078,319	269,091,790	161,671,031	105,065,107	56,939,816
Interest.....	1,303,429	825,850	3,954,711	11,214,863	16,974,448	2,701,215	2,434,009	808,541
Interest on Government obligations:								
State and local.....	5,631	27,695	199,583	589,697	114,376	20,935	204,588	83,636
Rents.....	178,926	371,850	7,688,093	8,447,149	8,331,766	1,591,753	1,352,813	291,831
Royalties.....	259,735	393,330	12,745,944	2,488,008	341,298	377,087	1,559,320	508,403
Net short-term capital gain reduced by net long-term capital loss.....	4,443	5,641	47,729	116,998	55,027	27,429	286,069	6,131
Net long-term capital gain reduced by net short-term capital loss.....	226,288	407,946	680,371	979,757	504,992	171,557	696,642	159,386
Net gain, noncapital assets.....	405,782	261,391	300,862	1,444,812	1,857,583	518,519	204,032	87,561
Dividends received from domestic corporations.....	66,911	80,705	147,799	119,397	346,370	98,695	58,982	325,169
Dividends received from foreign corporations.....	296,504	405,600	4,440,118	1,608,239	477,938	1,808,255	1,578,753	281,508
Other receipts.....	1,031,447	1,462,774	4,159,167	6,219,022	2,440,176	3,853,288	2,535,855	679,907
Total deductions.....	122,784,170	125,359,386	249,496,536	312,110,404	301,628,938	167,758,650	110,388,037	58,305,714
Cost of sales and operations.....	91,792,646	87,733,059	150,135,394	190,151,293	208,348,555	125,770,693	60,638,262	35,461,825
Compensation of officers.....	729,762	3,098,734	2,855,611	3,077,450	583,003	752,759	1,583,579	1,273,085
Repairs.....	2,449,710	654,457	1,466,395	1,951,183	2,114,939	988,011	366,158	310,499
Bad debts.....	301,250	394,673	744,487	2,750,483	1,276,900	247,256	484,100	447,363
Rent paid on business property.....	1,110,494	1,151,002	3,359,248	3,998,403	2,414,038	1,363,522	1,354,982	728,354
Taxes paid.....	2,366,500	3,110,666	5,473,837	6,680,137	5,719,553	3,033,267	2,333,620	1,276,609
Interest paid.....	3,066,422	2,963,010	8,137,446	15,003,803	16,552,230	3,730,816	3,239,385	1,970,555
Contributions or gifts.....	22,709	59,411	184,716	159,062	26,977	82,032	119,816	43,332
Amortization.....	242,787	309,037	1,032,182	1,002,649	613,641	231,507	483,877	281,668
Depreciation.....	4,884,971	3,520,268	8,955,153	16,518,666	16,884,239	3,410,464	3,691,368	1,643,030
Depletion.....	425,336	7,271	19,893	*4,777	2,882	25,379	7	*14,809
Advertising.....	187,873	1,197,236	2,401,993	3,642,746	3,258,012	362,237	2,337,619	1,862,176
Pension, profit-sharing, stock bonus, and annuity plans.....	2,036,538	791,181	1,548,092	1,971,344	6,756,605	1,007,286	1,153,251	255,361
Employee benefit programs.....	2,676,163	2,645,401	6,212,691	5,980,847	5,609,877	3,509,158	2,476,066	1,091,298
Net loss, noncapital assets.....	97,285	122,161	496,034	527,235	106,294	138,454	129,874	100,869
Other deductions.....	10,393,725	17,601,820	56,473,363	58,710,324	31,361,191	23,105,810	29,795,871	11,545,079
Total receipts less total deductions.....	-1,545,012	3,960,832	5,837,372	9,420,831	-1,320,147	5,081,315	5,608,134	1,865,976
Constructive taxable income from related foreign corporations.....	210,089	315,888	2,432,525	1,405,842	1,237,921	215,242		

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, OTHER THAN FORMS 1120S, 1120-REIT, AND 1120-RIC Table 12—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued								
	Transportation and public utilities				Total	Wholesale and retail trade			
	Total	Transportation	Communication	Electric, gas, and sanitary services		Total	Groceries and related products	Machinery, equipment, and supplies	Miscellaneous wholesale trade
(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	
Number of returns, total.....	103,397	85,214	***	***	585,479	205,359	14,806	35,092	155,461
Total assets.....	1,604,670,654	274,676,926	***	***	1,330,859,103	641,107,900	46,639,291	55,631,211	538,837,398
Cash.....	25,396,464	10,432,837	***	***	59,483,723	27,177,999	1,984,902	3,335,539	21,857,556
Notes and accounts receivable.....	163,824,278	35,197,910	***	***	289,725,685	183,155,292	11,775,260	18,812,230	154,467,771
Less: Allowance for bad debts.....	4,756,700	1,004,690	***	***	8,031,611	3,677,958	281,721	407,642	2,888,596
Inventories.....	28,472,718	4,744,083	***	***	329,876,017	185,751,865	10,060,948	16,867,304	136,803,613
Investments in Government obligations.....	8,619,484	2,815,086	***	***	37,605,543	35,027,235	93,354	*74,133	34,859,748
Tax-exempt securities.....	1,696,499	429,944	***	***	19,597,611	803,257	66,928	*139,320	597,009
Other current assets.....	58,180,562	10,658,079	***	***	75,427,023	47,719,466	1,415,066	2,544,126	43,760,274
Loans to stockholders.....	2,811,815	1,250,075	***	***	10,042,004	3,178,193	242,162	552,377	2,363,653
Mortgage and real estate loans.....	2,844,436	572,845	***	***	13,750,831	1,669,000	226,569	1,413,745	1,413,493
Other investments.....	241,277,540	29,040,367	***	***	152,726,828	58,664,254	6,607,707	5,059,925	47,196,623
Depreciable assets.....	1,398,620,532	254,778,758	***	***	412,214,528	146,332,868	17,253,906	14,982,319	114,086,643
Less: Accumulated depreciation.....	509,278,813	102,984,350	***	***	185,230,058	70,209,219	8,586,968	7,889,457	53,732,793
Depletable assets.....	11,217,316	533,886	***	***	2,087,052	1,417,935	9,637	46,494	1,361,804
Less: Accumulated depletion.....	4,633,648	189,813	***	***	867,853	647,751	398	37,005	610,349
Land.....	12,758,267	4,489,665	***	***	33,456,644	8,846,341	895,206	844,022	7,207,113
Intangible assets (amortizable).....	74,286,869	8,949,403	***	***	47,702,484	23,397,719	3,554,022	1,210,227	18,633,470
Less: Accumulated amortization.....	11,296,153	1,249,785	***	***	10,340,829	4,344,220	535,641	294,171	3,514,472
Other assets.....	108,427,388	16,212,408	***	***	49,529,502	16,345,626	1,858,323	1,432,531	13,054,708
Total liabilities.....	1,604,670,654	274,676,926	***	***	1,330,859,103	641,107,900	46,639,291	55,631,211	538,837,398
Accounts payable.....	86,023,624	25,636,018	***	***	211,479,208	114,283,598	9,865,128	12,286,891	92,129,580
Mortgages, notes, and bonds payable in less than one year.....	91,103,679	22,572,359	***	***	234,868,080	159,600,058	3,334,068	10,071,914	146,194,076
Other current liabilities.....	128,375,681	35,500,067	***	***	172,399,968	83,560,012	4,486,334	4,878,740	74,396,938
Loans from stockholders.....	8,541,681	3,143,317	***	***	31,892,958	14,197,214	975,279	1,459,232	11,762,703
Mortgages, notes, and bonds payable in one year or more.....	493,569,846	78,590,947	***	***	246,116,408	95,547,280	9,919,997	8,306,928	77,320,355
Other liabilities.....	259,267,954	51,715,720	***	***	103,308,344	27,869,844	2,281,840	2,534,607	23,053,398
Capital stock.....	169,819,843	17,459,148	***	***	75,358,196	41,881,079	2,003,334	4,486,099	35,491,648
Paid-in or capital surplus.....	247,813,468	40,900,568	***	***	132,078,874	49,821,832	6,099,593	4,766,636	39,035,434
Retained earnings, appropriated.....	3,369,631	286,107	***	***	1,506,388	438,848	52,751	85,493	300,803
Retained earnings, unappropriated.....	128,232,848	3,852,577	***	***	141,296,514	61,880,875	8,576,654	7,875,606	45,228,814
Less: Cost of treasury stock.....	19,443,580	4,879,902	***	***	19,546,630	7,972,740	955,658	841,135	6,075,847
Total receipts.....	927,564,463	316,541,886	***	***	2,614,653,492	1,278,720,888	183,467,269	105,654,534	989,598,865
Business receipts.....	872,982,201	301,530,083	***	***	2,537,278,155	1,245,729,130	180,196,743	102,557,756	862,874,629
Interest.....	16,660,862	3,317,602	***	***	26,867,265	12,450,152	486,795	690,003	11,273,354
Interest on Government obligations:									
State and local.....	254,240	26,299	***	***	1,503,662	111,889	15,333	15,495	80,862
Rents.....	10,077,772	2,910,038	***	***	8,855,855	4,196,615	317,589	922,096	2,956,930
Royalties.....	707,465	109,467	***	***	2,873,369	791,799	34,962	41,037	715,800
Net short-term capital gain reduced by net long-term capital loss.....	235,982	99,697	***	***	273,779	156,238	4,930	3,480	147,829
Net long-term capital gain reduced by net short-term capital loss.....	3,142,680	1,279,402	***	***	3,314,152	764,166	37,420	87,738	639,009
Net gain, noncapital assets.....	3,764,573	1,875,777	***	***	2,866,885	1,497,585	40,067	192,461	1,265,057
Dividends received from domestic corporations.....	1,397,510	134,338	***	***	653,644	295,463	28,256	15,297	251,909
Dividends received from foreign corporations.....	484,933	120,074	***	***	1,587,332	1,298,372	9,061	39,606	1,249,706
Other receipts.....	17,856,246	5,139,109	***	***	28,559,392	11,429,460	2,296,115	1,089,564	8,043,782
Total deductions.....	887,520,661	316,939,489	***	***	2,586,741,514	1,269,162,340	182,108,203	104,550,872	982,503,265
Cost of sales and operations.....	349,075,579	118,295,262	***	***	1,944,124,364	1,041,528,291	155,605,006	76,770,168	807,153,118
Compensation of officers.....	6,989,871	4,116,015	***	***	33,000,866	16,485,830	1,527,769	2,819,391	12,138,669
Repairs.....	29,876,493	8,821,402	***	***	9,794,528	3,031,273	576,804	316,885	2,137,584
Bad debts.....	6,964,697	1,004,239	***	***	8,631,445	3,132,396	301,379	351,400	2,479,617
Rent paid on business property.....	27,018,691	17,563,589	***	***	47,577,112	10,326,451	1,362,687	1,104,563	7,859,201
Taxes paid.....	41,968,058	11,776,570	***	***	39,502,857	13,925,357	1,668,618	1,402,219	10,854,521
Interest paid.....	54,631,842	8,985,234	***	***	43,842,164	18,217,598	1,316,429	1,549,450	15,351,719
Contributions or gifts.....	597,002	101,285	***	***	756,328	300,276	55,659	26,414	216,204
Amortization.....	5,578,326	672,321	***	***	4,711,352	2,601,123	168,833	109,166	2,323,124
Depreciation.....	82,691,422	17,527,949	***	***	37,352,403	16,404,118	1,391,618	1,870,225	13,142,276
Depletion.....	980,362	169,700	***	***	104,114	97,363	*608	2,071	94,704
Advertising.....	6,001,603	1,998,198	***	***	32,580,640	10,568,730	746,652	589,359	9,232,719
Pension, profit-sharing, stock bonus, and annuity plans.....	7,109,555	3,186,768	***	***	5,790,339	2,577,925	387,680	330,611	1,859,634
Employee benefit programs.....	20,564,900	8,779,898	***	***	17,933,684	6,219,307	1,156,820	833,040	4,229,448
Net loss, noncapital assets.....	2,988,526	683,287	***	***	1,885,656	508,146	28,916	76,659	402,570
Other deductions.....	244,483,734	113,257,591	***	***	359,153,661	123,238,135	15,812,726	14,397,251	93,028,158
Total receipts less total deductions.....	40,043,802	-397,604	***	***	27,911,978	9,558,328	1,359,066	1,103,663	7,095,600
Constructive taxable income from related foreign corporations.....	896,096	102,898	***	***	2,362,587	2,135,330	*1,963	21,534	2,111,833
Net income (less deficit).....	40,685,658	-321,005	***	***	28,770,903	11,581,970	1,345,697	1,109,703	9,126,571
Income subject to tax.....	50,120,041	6,943,282	***	***	44,816,637	18,892,333	1,834,289	1,940,373	15,117,671
Income tax, total.....	17,936,857	2,476,182	***	***	14,815,547	6,314,449	607,422	590,063	5,116,964
Regular tax.....	16,880,528	2,253,462	***	***	14,344,453	6,037,773	597,605	578,233	4,861,934
Personal holding company tax.....	*44	(¹)	***	***	(¹)	(¹)	-	-	(¹)
Recapture of investment credit.....	16,274	2	***	***	970	*505	-	10	*495
Alternative minimum tax.....	970,451	213,561	***	***	428,635	261,189	8,527	10,769	241,893
Environmental tax.....	87,673	9,241	***	***	48,072	17,367	1,733	1,040	14,595
Foreign tax credit.....	478,522	41,534	***	***	1,242,782	950,735	*2,215	17,708	930,812
U.S. possessions tax credit.....	58,729	60	***	***	29,971	4,940	-	124	4,816
Orphan drug credit.....	-	-	***	***	-	-	-	-	-
Nonconventional source fuel credit.....	58,112	*655	***	***	1,489	1,433	628	*482	*324
General business credit.....	352,638	57,166	***	***	248,272	48,400	4,741	4,305	38,994
Prior year minimum tax credit.....	366,463	78,526	***	***	164,532	53,452	4,859	5,261	43,331
Total income tax after credits.....	16,622,394	2,298,241	***	***	13,129,500	5,255,849	594,979	582,182	4,098,688

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, OTHER THAN FORMS 1120S, 1120-REIT, AND 1120-RIC Table 12—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major Industry—Continued									
	Wholesale and retail trade—continued									
	Retail trade									
	Total	Building materials, garden supplies and mobile home dealers	General merchandise stores	Food stores	Automotive dealers and service stations	Apparel and accessory stores	Furniture and home furnishings stores	Eating and drinking places	Miscellaneous retail stores	Wholesale and retail trade not allocable
(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	
Number of returns, total.....	377,671	26,854	6,127	33,747	54,109	24,113	23,461	80,089	129,171	2,449
Total assets.....	687,841,343	30,121,813	288,026,240	87,399,601	60,199,347	43,602,941	20,099,838	65,681,781	92,709,781	1,909,861
Cash.....	32,048,844	1,817,974	6,800,693	5,749,005	4,166,630	1,824,588	1,542,677	3,574,531	6,572,747	256,881
Notes and accounts receivable.....	106,012,686	4,598,391	60,626,036	5,843,368	7,819,621	5,080,080	4,031,157	3,683,356	14,330,677	557,508
Less: Allowance for bad debts.....	4,344,739	98,324	2,855,636	78,745	1,29,961	186,587	129,294	174,163	692,029	18,913
Inventories.....	163,817,027	10,033,490	46,784,962	19,727,629	30,810,683	13,114,391	7,721,602	1,924,189	33,700,079	409,125
Investments in Government obligations.....	2,578,308	*6,897	1,832,004	253,227	54,790	*64,389	*26,885	60,911	279,204	-
Tax-exempt securities.....	18,794,354	*2,942	*18,100,529	*444,207	*25,898	*10,137	*55,021	*40,792	114,828	-
Other current assets.....	27,603,189	1,423,792	14,674,431	2,351,632	1,490,452	2,415,849	716,664	1,697,910	2,832,468	104,357
Loans to stockholders.....	6,859,020	203,205	2,577,882	276,814	669,167	717,570	146,169	1,066,859	1,201,353	*4,792
Mortgage and real estate loans.....	11,881,832	293,637	*10,834,104	188,362	108,459	9,042	*45,707	227,867	174,855	-
Other investments.....	93,741,102	1,593,104	61,403,841	6,407,948	1,870,011	5,791,651	1,410,077	8,191,774	7,072,696	121,470
Depreciable assets.....	265,291,546	12,254,876	71,827,557	56,762,413	20,150,113	18,878,538	6,692,652	45,580,085	33,145,311	590,214
Less: Accumulated depreciation.....	114,710,548	5,698,625	25,124,523	25,370,166	10,527,072	7,886,123	3,268,613	19,996,311	16,839,116	130,291
Depletable assets.....	856,034	*54,815	146,460	*164,615	*37,447	86,483	-	*119,300	*46,914	13,082
Less: Accumulated depletion.....	215,896	*11,054	59,690	*36,871	*570	26,801	-	*49,897	*31,013	4,205
Land.....	24,462,075	1,808,683	6,608,338	5,029,147	2,068,096	570,055	308,651	6,134,112	1,934,992	*50,229
Intangible assets (amortizable).....	26,281,881	598,466	4,071,762	3,406,233	763,678	2,187,876	527,858	7,868,404	6,858,025	*22,864
Less: Accumulated amortization.....	5,985,322	191,451	935,552	574,160	352,399	460,172	127,866	1,559,368	1,784,354	*11,287
Other assets.....	33,069,742	1,431,413	10,713,042	6,854,941	1,174,305	1,411,975	400,492	7,291,632	3,791,943	114,134
Total liabilities.....	687,841,343	30,121,813	288,026,240	87,399,601	60,199,347	43,602,941	20,099,838	65,681,781	92,709,781	1,909,861
Accounts payable.....	96,854,603	4,361,375	39,491,257	15,414,022	5,774,706	6,270,692	3,604,276	4,421,178	17,497,096	341,006
Mortgages, notes, and bonds payable in less than one year.....	75,030,203	2,225,013	27,148,436	4,641,921	24,777,594	3,052,123	1,747,363	3,908,290	7,529,463	237,819
Other current liabilities.....	88,679,200	2,164,051	50,614,280	10,368,674	3,589,694	4,608,757	2,343,120	6,356,296	8,634,327	160,754
Loans from stockholders.....	17,686,340	1,137,752	2,946,288	1,118,890	2,843,146	1,291,592	616,277	2,879,788	4,852,608	109,402
Mortgages, notes, and bonds payable in one year or more.....	150,080,935	7,490,729	51,585,436	33,036,589	8,833,928	6,304,917	3,238,177	22,045,234	17,545,926	490,193
Other liabilities.....	75,346,213	967,646	49,155,968	6,393,959	1,114,417	2,615,227	852,377	7,858,737	6,387,722	92,286
Capital stock.....	33,189,729	1,591,258	7,618,536	3,297,637	3,206,300	3,757,322	1,618,823	6,534,733	5,565,120	185,388
Paid-in or capital surplus.....	81,957,123	3,001,847	31,695,032	9,682,609	2,745,045	7,235,013	2,286,579	8,033,924	17,277,075	200,716
Retained earnings, appropriated.....	1,067,540	*26,874	*382,223	*27,090	102,660	*146,251	90,089	75,938	216,414	-
Retained earnings, unappropriated.....	79,472,748	7,966,241	29,461,008	4,794,440	8,435,154	9,103,308	4,948,542	5,956,570	8,807,486	142,891
Less: Cost of treasury stock.....	11,523,294	830,973	4,027,224	1,376,231	2,123,297	782,262	1,245,945	2,388,907	1,603,455	*50,779
Total receipts.....	1,330,588,045	66,328,917	309,106,931	296,300,388	226,031,505	83,355,250	40,625,287	99,114,836	209,724,931	5,344,779
Business receipts.....	1,286,297,974	64,710,178	290,544,169	290,961,793	222,099,763	80,601,119	39,547,070	93,366,581	204,465,301	5,251,052
Interest.....	14,400,904	544,958	8,940,090	564,979	822,518	804,457	405,242	1,180,363	1,138,297	36,209
Interest on Government obligations:										
State and local.....	1,391,956	21,508	1,279,427	38,837	3,965	12,931	6,056	11,953	17,278	17
Rents.....	4,643,426	215,669	1,396,064	830,258	567,417	242,030	146,528	641,808	603,851	*15,814
Royalties.....	2,081,374	180,556	62,811	79,559	1,902	456,576	*11,883	935,517	352,572	197
Net short-term capital gain reduced by net long-term capital loss.....	117,541	9,493	70,428	7,676	1,395	*1,659	*4,112	9,870	12,907	-
Net long-term capital gain reduced by net short-term capital loss.....	2,548,871	53,592	1,871,973	108,019	71,380	29,513	66,903	167,524	179,966	*1,115
Net gain, noncapital assets.....	1,366,438	47,454	364,082	232,424	241,442	17,160	14,938	259,852	189,087	*2,862
Dividends received from domestic corporations.....	356,986	17,777	196,629	11,788	18,246	67,804	4,979	15,305	24,459	*1,196
Dividends received from foreign corporations.....	288,960	*1,044	56,387	*10,819	*760	86,252	-	111,111	22,588	-
Other receipts.....	17,093,614	526,887	4,324,870	3,454,237	2,202,716	1,035,749	417,577	2,412,954	2,718,624	36,318
Total deductions.....	1,312,250,038	65,188,358	301,972,765	293,310,049	224,609,319	80,931,572	40,268,616	97,488,616	208,480,889	5,329,136
Cost of sales and operations.....	898,489,931	46,487,517	193,489,325	220,687,883	187,175,530	48,832,439	25,509,706	38,581,287	137,726,244	4,106,142
Compensation of officers.....	16,339,368	1,475,487	802,611	1,382,397	2,976,486	875,747	1,167,662	2,275,410	5,383,568	175,668
Repairs.....	6,751,436	324,890	1,338,288	1,735,966	668,053	343,675	175,715	1,283,508	881,341	11,819
Bad debts.....	5,488,333	214,604	2,886,523	261,111	305,233	365,750	229,730	226,789	998,594	10,716
Rent paid on business property.....	37,193,981	1,169,703	7,658,047	5,472,889	2,672,278	5,645,979	1,528,203	5,797,252	7,249,629	56,680
Taxes paid.....	25,499,833	1,267,063	6,143,106	4,407,314	2,852,097	1,935,809	835,685	4,074,282	3,984,476	77,667
Interest paid.....	25,569,060	1,159,229	10,491,483	3,698,483	1,954,818	1,178,344	569,749	3,409,871	3,107,283	55,507
Contributions or gifts.....	454,417	18,208	161,094	73,468	27,868	47,230	19,296	33,656	73,598	*1,635
Amortization.....	2,104,969	53,977	511,656	291,071	112,196	170,184	47,641	456,890	461,354	5,260
Depreciation.....	20,887,071	850,094	5,301,925	4,316,507	1,985,198	1,675,230	523,019	3,163,756	3,071,342	61,214
Depletion.....	6,731	*2,797	(*)	1	*96	*367	-	*269	3,202	-
Advertising.....	21,978,315	812,493	6,200,853	2,701,533	2,043,705	1,679,921	1,735,037	2,512,921	4,291,851	33,595
Pension, profit-sharing, stock bonus, and annuity plans.....	3,188,286	174,781	812,576	931,223	186,069	225,858	99,122	262,804	495,853	24,128
Employee benefit programs.....	11,678,022	451,246	2,830,763	3,585,090	1,039,089	693,681	258,123	1,365,112	1,454,917	36,355
Net loss, noncapital assets.....	1,375,995	35,038	131,777	180,030	41,656	134,380	56,421	128,212	668,482	*1,515
Other deductions.....	235,244,291	10,691,432	63,212,738	43,585,084	20,568,947	17,126,979	7,513,506	33,916,651	38,628,954	671,235
Total receipts less total deductions.....	18,338,007	1,140,558	7,134,165	2,990,339	1,422,186	2,423,679	356,671	1,626,166	1,244,242	15,643
Constructive taxable income from related foreign corporations.....	227,256	-	84,857	1,213	*343	28,444	81	80,714	31,604	-
Net income (less deficit).....	17,173,307	1,119,050	5,939,595	2,952,715	1,418,564	2,439,192	350,697	1,694,927	1,258,568	15,626
Income subject to tax.....	25,833,163	1,475,236	7,958,544	3,910,623	1,675,319	2,951,773	849,053	2,756,456	4,256,158	91,141
Income tax, total.....	8,472,369	467,148	2,582,284	1,353,152	476,665	965,885	254,949	917,066	1,279,218	28,729
Regular tax.....	8,278,029	458,248	2,698,394	1,299,571	467,286	959,136	253,298	874,601	1,267,496	28,651
Personal holding company tax.....	-	-	-	-	-	-	-	-	-	-
Recapture of investment credit.....	465	-	463	-	-	-	-	(*)	2	-
Alternative minimum tax.....	167,446	7,629	46,260	47,555	13,366	3,436	*1,048	39,261	8,892	-
Environmental tax.....	30,626	1,272	13,167	5,071	435	3,614	603	3,116	3,348	78
Foreign tax credit.....	291,984	*59	52,305	10,957	*156	42,369	1,109	171,488	13,541	63
U.S. possessions tax credit.....	25,031	-	15,156	7,740	1,187	20	-	928	-	-
Orphan drug credit.....	-	-	-	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	*56	-	(*)	-	*51	-	-	1	*4	-
General business credit.....	200,142	6,333	67,730	33,279	8,744	16,468	*2,150	42,580	22,858	*90
Prior year minimum tax credit.....	110,552	2,364	54,8							

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, OTHER THAN FORMS 1120S, 1120-REIT, AND 1120-RIC Table 12--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued							
	Finance, insurance, and real estate							
	Total	Banking	Credit agencies other than banks	Security, commodity brokers and services	Insurance	Insurance agents, brokers, and service	Real estate	Holding and other investment companies, except bank holding companies
(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)	
Number of returns, total.....	355,719	10,908	15,584	8,575	7,336	36,954	242,439	33,923
Total assets.....	9,382,508,671	4,161,995,148	1,652,793,428	594,846,974	2,484,608,567	33,338,993	247,155,227	207,770,335
Cash.....	450,252,001	316,800,160	69,972,914	13,076,315	23,493,539	5,383,879	16,629,909	4,895,285
Notes and accounts receivable.....	2,456,374,090	1,803,973,546	301,198,309	135,758,782	147,004,291	9,139,581	15,422,100	43,877,481
Less: Allowance for bad debts.....	76,663,740	53,956,951	18,638,831	406,905	2,200,685	228,364	760,486	471,519
Inventories.....	19,668,786	538,182	5,832,166	920,614	3,470,842	3,752	7,932,525	970,705
Investments in Government obligations.....	913,174,792	571,224,332	64,836,645	37,050,132	233,117,565	553,144	1,820,283	4,572,690
Tax-exempt securities.....	307,608,818	66,449,518	19,904,526	2,142,918	216,741,799	452,664	726,148	1,191,245
Other current assets.....	796,580,791	205,222,106	77,788,308	212,946,257	270,909,691	1,794,838	13,668,226	14,251,365
Loans to stockholders.....	28,350,114	3,318,319	8,479,355	1,168,010	2,754,407	405,750	3,226,654	8,997,619
Mortgage and real estate loans.....	1,481,823,082	401,931,745	816,788,157	1,858,097	246,364,107	95,958	10,718,975	4,066,043
Other investments.....	2,092,933,335	387,924,821	208,820,143	163,347,068	1,195,431,098	9,829,616	45,839,144	81,741,444
Depreciable assets.....	322,872,039	96,882,224	30,429,740	8,786,660	42,346,115	5,976,061	126,270,062	12,181,178
Less: Accumulated depreciation.....	116,588,597	41,226,980	13,135,559	4,246,665	9,377,757	3,340,540	40,248,724	5,012,372
Depletable assets.....	1,518,133	11,552	20,400	*1,709	413,779	*3,188	666,153	401,712
Less: Accumulated depletion.....	422,829	3,315	*3,145	*909	182,963	*246	170,427	61,824
Land.....	49,193,399	7,811,254	3,326,505	195,745	2,203,441	198,505	33,351,724	2,106,224
Intangible assets (amortizable).....	43,457,411	15,970,603	10,709,499	2,438,792	6,601,498	2,381,508	26,604,653	2,750,860
Less: Accumulated amortization.....	10,442,639	3,296,414	2,072,191	933,307	1,844,776	852,433	834,295	609,222
Other assets.....	622,819,686	382,420,446	68,536,845	20,743,661	107,362,576	1,542,133	10,292,604	31,921,422
Total liabilities.....	9,382,508,671	4,161,995,148	1,652,793,428	594,846,974	2,484,608,567	33,338,993	247,155,227	207,770,335
Accounts payable.....	624,954,779	376,722,567	87,259,861	101,595,734	36,803,601	10,476,474	7,074,826	5,021,717
Mortgages, notes, and bonds payable in less than one year.....	683,154,356	219,463,262	289,786,763	35,018,438	47,776,912	1,596,881	22,393,580	62,518,521
Other current liabilities.....	4,371,473,620	2,783,503,588	675,199,174	367,256,896	516,653,777	3,849,498	14,167,421	10,843,267
Loans from stockholders.....	71,470,354	10,130,410	23,343,658	1,052,414	6,760,501	597,537	22,337,055	7,248,779
Mortgages, notes, and bonds payable in one year or more.....	722,195,534	180,446,686	309,032,697	24,893,592	62,212,322	3,151,210	96,676,644	45,782,383
Other liabilities.....	1,823,212,384	207,031,122	159,531,052	30,308,160	1,377,274,294	2,647,886	22,899,493	23,520,377
Capital stock.....	156,495,826	65,987,360	14,748,932	4,756,491	23,555,233	1,422,167	28,958,511	17,067,130
Paid-in or capital surplus.....	526,759,154	166,049,931	61,310,950	13,513,211	174,477,652	3,743,154	62,633,421	45,030,835
Retained earnings, appropriated.....	49,677,201	2,311,078	2,911,354	*168,719	41,200,207	1,200,568	1,794,349	1,170,926
Retained earnings, unappropriated.....	376,593,112	153,918,043	33,856,860	13,786,663	205,316,458	6,776,997	-28,446,563	-8,613,346
Less: Cost of treasury stock.....	23,477,648	3,568,899	4,187,871	2,103,346	7,422,391	1,043,380	3,331,509	1,820,252
Total receipts.....	1,740,744,396	503,329,251	192,955,549	70,034,754	836,578,290	26,440,668	82,154,788	29,251,096
Business receipts.....	932,579,891	130,019,477	54,543,645	40,250,721	612,404,685	24,542,895	58,654,176	12,164,292
Interest.....	601,513,706	316,198,867	116,298,453	21,663,501	131,605,625	516,267	4,690,437	10,540,557
Interest on Government obligations:								
State and local.....	16,443,058	6,381,542	952,721	200,044	8,535,940	52,338	113,203	207,268
Rents.....	32,943,881	10,437,810	1,967,670	705,316	10,748,164	125,587	7,476,706	1,482,627
Royalties.....	745,037	44,774	104,993	20,256	78,070	*16,156	211,016	269,772
Net short-term capital gain reduced by net long-term capital loss.....	6,163,574	222,756	90,328	409,847	5,045,916	37,018	165,847	191,862
Net long-term capital gain reduced by net short-term capital loss.....	22,866,666	2,038,542	1,395,677	532,217	14,280,741	391,751	2,807,692	1,440,046
Net gain, noncapital assets.....	9,014,659	5,529,851	2,183,860	78,008	513,170	15,330	550,781	143,660
Dividends received from domestic corporations.....	6,807,821	846,797	503,365	222,735	4,081,662	40,599	250,436	662,227
Dividends received from foreign corporations.....	1,577,874	318,173	58,149	65,886	685,052	134,762	43,638	272,214
Other receipts.....	110,288,229	31,290,660	14,856,688	5,886,224	48,619,266	567,965	7,190,856	1,876,570
Total deductions.....	1,648,017,980	462,138,428	181,046,813	64,864,051	800,469,837	24,840,960	86,189,320	28,368,573
Cost of sales and operations.....	557,396,700	68,745,490	13,017,244	6,803,783	442,163,295	3,050,793	17,717,159	5,898,938
Compensation of officers.....	31,188,916	13,471,146	3,133,477	3,868,833	2,815,090	3,301,405	3,820,755	776,211
Repairs.....	6,142,568	2,689,579	708,942	143,917	318,900	144,804	2,056,977	79,449
Bad debts.....	50,970,216	33,939,431	12,165,735	517,714	2,077,904	111,334	1,275,260	882,839
Rent paid on business property.....	21,797,186	7,368,863	2,311,712	2,198,667	5,992,028	1,103,818	2,457,899	364,198
Taxes paid.....	33,649,763	8,448,618	2,653,335	1,381,804	14,183,148	1,002,196	5,333,429	647,232
Interest paid.....	321,614,488	185,836,085	81,356,891	18,010,178	16,662,495	446,401	10,604,371	8,698,068
Contributions or gifts.....	1,115,864	577,424	135,255	85,758	185,866	32,148	69,375	30,038
Amortization.....	5,475,352	1,954,564	1,160,236	297,677	1,172,246	220,377	465,208	205,043
Depreciation.....	32,376,725	15,015,947	2,939,879	897,042	6,761,921	515,467	4,717,406	1,469,062
Depletion.....	309,078	12,662	21,336	*232	36,012	*27	40,763	198,046
Advertising.....	8,579,081	2,679,035	2,082,449	928,326	1,592,933	210,807	927,555	157,976
Pension, profit-sharing, stock bonus, and annuity plans.....	6,634,942	1,926,462	595,120	471,707	2,831,391	401,359	299,975	108,928
Employee benefit programs.....	15,275,042	6,491,749	1,815,562	681,260	4,777,840	646,130	776,771	285,731
Net loss, noncapital assets.....	8,308,574	2,558,494	3,955,995	39,731	466,223	25,685	1,012,255	250,191
Other deductions.....	547,185,484	110,362,879	53,193,643	28,537,422	298,432,545	13,728,208	34,614,162	8,316,626
Total receipts less total deductions.....	92,726,415	41,190,823	11,908,736	5,170,704	36,108,453	1,499,708	-4,034,532	

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, OTHER THAN FORMS 1120S, 1120-REIT, AND 1120-RIC Table 12—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued							Nature of business not allocable
	Services							
	Total	Hotels and other lodging places	Personal services	Business services	Auto repair; miscellaneous repair services	Amusement and recreation services	Other services	
	(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)
Number of returns, total.....	513,378	10,926	37,664	158,356	69,369	49,406	187,657	14,290
Total assets.....	545,344,008	45,839,145	16,046,797	204,832,869	40,873,501	100,964,205	136,787,492	1,254,572
Cash.....	37,237,269	2,507,943	1,360,544	13,883,466	2,279,855	4,749,392	12,456,069	186,577
Notes and accounts receivable.....	93,400,428	2,932,019	2,184,126	41,304,731	5,000,330	13,546,883	28,132,638	155,805
Less: Allowance for bad debts.....	5,301,905	284,513	58,719	1,356,564	122,253	701,123	2,778,733	*1,813
Inventories.....	17,635,137	421,371	1,226,455	5,163,876	2,988,536	5,435,081	2,589,817	128,334
Investments in Government obligations.....	3,259,519	*18,823	*13,787	979,822	*84,193	309,336	1,853,557	3,160
Tax-exempt securities.....	2,075,005	*34,117	*136,192	719,716	*110,223	*38,907	1,035,851	*103
Other current assets.....	36,300,157	1,934,667	667,105	14,846,654	2,039,277	8,845,056	7,967,398	35,709
Loans to stockholders.....	6,329,552	858,863	229,766	2,018,908	531,410	1,131,083	1,559,521	*24,678
Mortgage and real estate loans.....	6,512,490	685,075	*58,114	3,890,026	219,228	808,399	1,171,648	*4,627
Other investments.....	118,318,398	10,129,128	1,210,281	52,324,354	2,450,029	25,725,999	28,478,606	242,414
Depreciable assets.....	248,876,292	27,950,923	11,138,625	74,808,355	33,390,295	40,026,606	61,561,487	492,137
Less: Accumulated depreciation.....	110,371,051	9,281,521	6,134,530	37,819,475	13,234,599	18,851,112	25,049,814	160,047
Depletable assets.....	197,524	*6,343	-	86,557	*8,446	*25,388	70,791	*1,109
Less: Accumulated depletion.....	87,442	*1,023	-	29,645	*611	*20,311	35,852	*928
Land.....	15,194,323	4,339,219	714,283	1,653,915	1,179,071	3,369,116	3,938,719	*48,021
Intangible assets (amortizable).....	49,159,464	1,132,850	1,776,678	23,502,707	3,088,726	9,880,540	9,778,053	*60,043
Less: Accumulated amortization.....	13,905,430	307,923	344,329	6,884,629	308,713	3,799,001	2,260,835	*9,244
Other assets.....	40,314,279	2,782,784	1,868,418	15,740,095	860,356	10,744,055	8,318,571	43,887
Total liabilities.....	545,344,008	45,839,145	16,046,797	204,832,869	40,873,501	100,964,205	136,787,492	1,254,572
Accounts payable.....	49,247,864	2,046,802	875,868	23,312,455	3,010,890	8,728,705	11,273,144	200,069
Mortgages, notes, and bonds payable in less than one year.....	40,070,174	3,342,168	599,473	15,143,853	7,087,905	4,507,258	9,389,516	275,796
Other current liabilities.....	70,572,502	2,639,082	1,333,761	33,574,321	4,030,890	10,780,758	18,213,690	168,535
Loans from stockholders.....	17,526,029	3,043,665	699,952	6,685,882	1,240,040	2,301,779	3,554,711	284,724
Mortgages, notes, and bonds payable in one year or more.....	143,059,197	19,318,118	3,823,064	47,960,630	12,940,923	24,697,127	34,319,335	399,759
Other liabilities.....	50,086,093	3,506,581	1,583,887	17,428,756	2,307,325	12,528,104	12,731,438	32,872
Capital stock.....	37,435,976	5,702,829	1,158,023	12,775,045	2,194,981	7,057,799	8,547,299	180,604
Paid-in or capital surplus.....	133,203,042	10,481,063	2,255,390	48,300,741	3,907,724	28,160,553	40,097,571	147,415
Retained earnings, appropriated.....	629,682	*17,059	*61,049	220,442	76,347	84,320	170,455	-
Retained earnings, unappropriated.....	13,807,478	-3,768,473	4,277,286	4,211,569	4,796,926	3,884,302	405,868	-435,051
Less: Cost of treasury stock.....	10,294,029	489,750	620,958	4,780,825	720,450	1,766,510	1,915,537	*151
Total receipts.....	608,028,959	30,422,772	24,731,341	223,835,026	58,150,023	67,901,985	202,987,812	1,118,316
Business receipts.....	562,517,516	27,021,744	23,593,456	205,450,504	53,895,569	60,237,624	192,318,620	1,000,116
Interest.....	8,764,552	825,615	386,603	3,386,885	561,656	1,652,009	1,951,783	20,559
Interest on Government obligations:								
State and local.....	472,703	6,644	19,922	282,897	9,570	19,310	134,360	-
Rents.....	7,356,616	426,371	46,787	3,581,345	1,573,792	728,880	999,441	*10,500
Royalties.....	3,838,103	221,148	129,046	1,381,739	*40,642	1,598,430	467,098	*490
Net short-term capital gain reduced by net long-term capital loss.....	194,716	18,010	*2,623	50,089	17,626	26,730	79,636	111
Net long-term capital gain reduced by net short-term capital loss.....	2,236,305	358,558	137,019	806,044	89,915	214,544	630,225	*14,969
Net gain, noncapital assets.....	2,457,332	50,633	20,985	906,511	1,082,279	174,143	222,781	*14,057
Dividends received from domestic corporations.....	310,882	21,879	27,160	120,433	6,895	47,208	87,207	*1,357
Dividends received from foreign corporations.....	812,697	88,993	*28,154	441,744	*5,217	225,907	22,684	-
Other receipts.....	19,067,538	1,383,177	339,585	7,426,835	866,763	2,977,200	6,073,977	56,159
Total deductions.....	600,260,195	30,608,528	23,818,999	219,725,879	57,500,719	67,859,643	200,746,627	1,268,775
Cost of sales and operations.....	216,943,119	12,649,101	8,799,368	86,448,812	26,547,409	24,943,398	57,555,032	556,783
Compensation of officers.....	30,276,718	350,106	1,406,411	10,749,842	2,313,648	2,752,096	12,704,615	65,834
Repairs.....	4,969,985	415,038	299,307	1,257,482	942,121	625,314	1,430,722	20,188
Bad debts.....	5,416,081	303,877	128,548	1,197,236	203,165	1,035,069	2,548,186	*23,816
Rent paid on business property.....	21,387,150	846,479	1,233,470	7,462,415	2,479,318	2,268,321	7,097,147	72,748
Taxes paid.....	20,514,977	1,430,284	1,081,397	7,221,812	1,961,985	1,938,731	6,880,768	32,995
Interest paid.....	18,781,516	2,232,284	653,624	6,072,039	2,043,377	3,243,100	4,537,092	41,112
Contributions or gifts.....	315,875	10,606	22,034	149,753	22,640	36,811	74,031	*1,549
Amortization.....	4,285,750	101,392	123,608	1,363,194	130,669	1,778,218	788,669	*4,467
Depreciation.....	27,350,384	1,477,059	909,737	10,219,891	5,476,960	4,882,686	4,882,686	37,693
Depletion.....	24,396	160	3	8,464	*3	*1,202	14,564	*25
Advertising.....	8,165,070	645,658	519,547	3,107,621	719,301	1,767,298	1,405,646	8,469
Pension, profit-sharing, stock bonus, and annuity plans.....	3,778,223	48,004	128,850	1,321,395	291,947	190,585	1,797,442	*7,161
Employee benefit programs.....	10,755,268	487,957	315,356	3,807,260	747,279	494,789	4,902,626	*11,077
Net loss, noncapital assets.....	1,141,412	155,527	38,381	427,635	53,188	170,734	295,947	*40,575
Other deductions.....	226,154,272	9,454,997	8,159,357	78,910,829	13,567,709	22,229,925	93,831,455	344,281
Total receipts less total deductions.....	7,768,764	-185,756	912,342	4,109,347	649,304	42,342	2,241,185	-150,457
Constructive taxable income from related foreign corporations.....	633,421	*28,814	15,482	394,810	8,355	160,707	25,254	-
Net income (less deficit).....	7,929,482	-163,586	907,902	4,221,260	648,089	183,739	2,132,079	-150,457
Income subject to tax.....	18,014,597	977,662						

Corporation Returns/1992

RETURNS WITH NET INCOME, OTHER THAN FORMS 1120S, 1120-REIT, AND 1120-RIC Table 13—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry

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

Item	Major industry						
	All industries	Agriculture, forestry, and fishing	Mining				Nonmetallic minerals, except fuels
			Total	Metal mining	Coal mining	Oil and gas extraction	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of returns, total.....	1,117,309	45,413	8,887	108	287	7,164	1,130
Total assets.....	13,851,417,685	33,784,577	107,838,827	22,591,884	13,602,884	60,330,517	11,311,882
Cash.....	567,063,474	2,482,567	4,953,328	1,189,048	349,726	2,821,459	593,096
Notes and accounts receivable.....	3,255,563,395	3,269,061	11,827,132	2,047,295	2,115,120	6,512,205	1,152,491
Less: Allowance for bad debts.....	87,719,000	19,622	113,349	6,461	*5,675	73,849	27,364
Inventories.....	557,608,553	4,511,502	3,517,612	875,998	441,180	1,531,999	668,434
Investments in Government obligations.....	881,483,637	112,775	495,518	15,718	*81,437	269,074	*129,288
Tax-exempt securities.....	284,978,308	117,092	243,331	*5,269	*107,331	*89,612	*41,069
Other current assets.....	931,535,183	1,271,816	5,004,578	1,396,118	655,262	2,243,522	709,676
Loans to stockholders.....	46,996,709	845,657	347,076	*32,944	*14,058	270,181	29,893
Mortgage and real estate loans.....	1,350,514,288	228,088	80,274	656	*1,039	69,916	*8,664
Other investments.....	2,963,945,910	2,886,232	30,441,741	8,218,977	2,548,540	16,499,350	3,174,872
Depreciable assets.....	3,248,533,396	23,588,727	58,254,335	9,480,122	7,661,892	33,719,863	7,392,458
Less: Accumulated depreciation.....	1,455,466,385	15,279,909	30,803,866	3,686,421	4,140,030	18,569,790	4,407,625
Depletable assets.....	94,162,477	360,537	25,399,163	2,068,679	1,392,736	21,065,965	871,783
Less: Accumulated depletion.....	45,451,155	147,388	11,160,664	557,523	262,271	10,238,619	102,251
Land.....	115,687,662	8,048,732	2,393,522	327,954	718,656	824,944	521,967
Intangible assets (amortizable).....	347,210,429	290,946	4,650,608	541,809	1,482,866	2,366,785	259,148
Less: Accumulated amortization.....	78,170,655	70,745	1,850,645	175,433	533,222	1,104,322	37,669
Other assets.....	872,941,458	1,288,511	4,157,235	817,133	974,148	2,032,222	333,732
Total liabilities.....	13,851,417,685	33,784,577	107,838,827	22,591,884	13,602,884	60,330,517	11,311,882
Accounts payable.....	1,139,167,929	1,752,322	7,415,232	2,009,174	768,606	3,845,510	791,942
Mortgages, notes, and bonds payable in less than one year.....	1,114,774,556	4,256,190	6,725,535	1,144,252	266,168	3,852,794	1,462,320
Other current liabilities.....	4,353,014,009	1,470,321	5,970,749	1,256,448	856,244	3,238,148	619,909
Loans from stockholders.....	111,257,271	1,504,619	1,268,425	459,714	*79,929	589,747	*139,035
Mortgages, notes, and bonds payable in one year or more.....	1,764,698,655	6,463,408	18,978,409	2,855,266	3,309,524	11,126,992	1,686,627
Other liabilities.....	2,240,971,071	1,732,610	12,510,458	3,080,383	3,749,974	5,042,392	637,709
Capital stock.....	439,003,541	3,948,496	5,061,086	682,839	242,741	3,469,807	665,699
Paid-in or capital surplus.....	1,289,611,045	2,607,856	49,800,706	9,787,118	3,641,298	34,163,999	2,208,292
Retained earnings, appropriated.....	41,719,579	167,670	158,562	14,764	*44	*91,628	*52,126
Retained earnings, unappropriated.....	1,525,064,474	10,831,010	3,497,634	1,421,320	822,917	-2,348,743	3,602,140
Less: Cost of treasury stock.....	167,864,445	949,927	3,549,869	*119,396	134,581	2,741,757	554,136
Total receipts.....	7,424,068,752	47,124,910	53,367,609	8,088,794	9,108,043	28,276,456	7,894,316
Business receipts.....	6,399,965,974	43,489,907	46,890,090	7,444,764	8,044,282	23,939,593	7,461,451
Interest.....	615,874,611	358,116	1,533,259	198,105	190,841	988,975	155,339
Interest on Government obligations:							
State and local.....	15,740,620	16,783	16,602	*1,073	6,432	7,904	*1,192
Rents.....	75,248,816	402,936	244,590	13,915	26,901	174,159	29,616
Royalties.....	34,791,191	87,793	360,645	*36,207	90,942	211,338	22,158
Net short-term capital gain reduced by net long-term capital loss.....	5,768,172	10,593	42,124	111	*9,654	31,152	*1,207
Net long-term capital gain reduced by net short-term capital loss.....	35,419,271	547,916	858,871	65,231	223,520	537,858	32,262
Net gain, noncapital assets.....	21,386,176	273,326	457,401	28,292	62,965	312,838	53,305
Dividends received from domestic corporations.....	10,877,979	67,446	94,285	*26,932	14,195	32,632	20,525
Dividends received from foreign corporations.....	26,631,072	57,122	167,831	*12,499	5,901	137,949	*11,481
Other receipts.....	182,364,871	1,812,972	2,701,911	261,663	432,411	1,902,057	105,780
Total deductions.....	7,008,247,975	44,404,025	48,018,702	7,286,447	8,468,635	24,898,029	7,378,591
Cost of sales and operations.....	4,099,391,517	27,247,134	27,024,493	4,445,342	5,592,523	12,470,180	4,516,447
Compensation of officers.....	104,428,673	1,613,342	708,136	33,849	58,592	483,567	132,129
Repairs.....	63,325,089	806,274	568,175	91,665	147,370	128,501	200,638
Bad debts.....	58,066,751	116,429	73,424	19,218	9,381	26,802	18,023
Rent paid on business property.....	106,982,543	1,267,799	444,338	26,308	69,143	267,714	81,172
Taxes paid.....	177,265,548	1,102,974	1,843,678	217,364	529,303	861,086	235,925
Interest paid.....	440,919,391	978,822	2,417,554	430,836	284,031	1,476,080	226,607
Contributions or gifts.....	5,413,541	31,691	41,260	5,504	3,798	23,853	8,106
Amortization.....	20,095,739	65,569	282,397	111,119	49,278	103,425	18,575
Depreciation.....	233,964,644	1,634,541	3,039,039	573,217	387,210	1,610,025	468,586
Depletion.....	6,475,043	29,504	1,985,217	573,274	312,827	942,395	156,721
Advertising.....	89,055,401	191,951	84,343	*4,008	2,887	43,427	34,021
Pension, profit-sharing, stock bonus, and annuity plans.....	33,349,211	102,377	250,765	13,673	36,347	141,893	58,851
Employee benefit programs.....	93,322,866	393,834	639,478	40,134	209,573	247,188	142,583
Net loss, noncapital assets.....	6,802,769	67,921	76,101	20,650	1,083	51,839	2,528
Other deductions.....	1,469,389,248	9,753,862	8,540,305	680,286	776,287	6,008,054	1,075,678
Total receipts less total deductions.....	415,820,777	2,720,885	5,348,907	802,347	638,408	3,390,427	517,725
Constructive taxable income from related foreign corporations.....	25,997,887	*90,008	183,380	10,673	-	172,098	609
Net income.....	426,078,044	2,794,110	5,515,686	811,946	631,977	3,554,621	517,142
Income subject to tax.....	376,706,893	2,002,396	4,260,113	681,191	562,682	2,620,496	395,744
Income tax, total ²	130,279,267	558,858	1,619,953	292,902	229,728	948,252	149,072
Regular tax.....	125,360,609	539,433	1,425,685	232,473	190,031	875,394	127,786
Personal holding company tax.....	20,343	69	*542	-	-	*542	-
Recapture of investment credit.....	23,040	-	*6	-	-	*6	1
Alternative minimum tax.....	4,352,160	17,581	187,681	58,876	38,819	68,284	21,702
Environmental tax.....	492,298	1,011	7,209	1,505	1,102	4,008	595
Foreign tax credit.....	21,489,532	42,801	599,700	132,853	3,686	456,890	*6,272
U.S. possessions tax credit.....	3,748,561	3,944	-	-	-	-	-
Orphan drug credit.....	17,826	-	-	-	-	-	-
Nonconventional source fuel credit.....	233,331	39	20,042	-	172	19,869	-
General business credit.....	1,900,428	13,243	21,221	72	*600	18,940	*1,609
Prior year minimum tax credit.....	2,177,873	6,352	47,459	2,552	11,291	31,412	*2,205
Total income tax after credits.....	100,711,716	492,479	931,530	157,426	213,978	421,141	138,886

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, OTHER THAN FORMS 1120S, 1120-REIT, AND 1120-RIC
Table 13—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued								
	Construction				Manufacturing				
	Total	General building contractors and operative builders	Heavy construction contractors	Special trade contractors	Total	Food and kindred products	Tobacco manufactures	Textile mill products	Apparel and other textile products
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Number of returns, total.....	119,430	47,251	8,158	68,021	101,780	5,508	***	2,211	4,148
Total assets.....	115,541,574	52,155,214	33,803,190	28,583,170	2,911,121,802	283,453,021	***	33,374,419	28,295,409
Cash.....	12,084,479	4,925,307	3,219,917	3,939,255	68,536,902	5,874,117	***	813,483	1,029,836
Notes and accounts receivable.....	30,792,577	12,020,183	7,004,717	11,767,676	629,659,145	78,774,204	***	6,341,409	4,984,207
Less: Allowance for bad debts.....	262,835	57,072	97,319	108,444	11,460,539	557,188	***	162,063	124,690
Inventories.....	11,135,521	7,460,123	1,150,983	2,524,415	236,636,948	23,819,992	***	5,862,128	6,117,145
Investments in Government obligations.....	1,189,949	678,773	470,923	40,253	21,870,608	2,191,773	***	741,934	38,637
Tax-exempt securities.....	1,110,833	54,001	938,927	117,906	16,146,588	455,294	***	55,069	7,131
Other current assets.....	10,592,740	6,401,854	1,759,206	2,431,680	130,865,294	9,171,293	***	718,287	980,213
Loans to stockholders.....	2,381,325	618,374	1,096,708	666,243	12,864,579	1,023,511	***	143,474	61,109
Mortgage and real estate loans.....	5,898,268	5,732,159	59,423	106,686	22,924,457	29,789	***	13,957	6,378
Other investments.....	16,640,878	6,658,981	8,769,101	1,212,796	781,382,181	67,553,729	***	3,655,913	6,565,444
Depreciable assets.....	44,463,050	10,374,723	17,604,800	16,483,527	1,250,123,180	102,392,279	***	21,118,616	7,193,476
Less: Accumulated depreciation.....	27,418,422	5,723,275	10,797,294	10,897,853	645,372,277	46,182,807	***	11,818,767	3,438,578
Depletable assets.....	308,316	*111,831	157,813	*38,671	56,100,871	*79,370	***	24,516	-
Less: Accumulated depletion.....	125,525	*41,221	55,463	*28,842	28,909,042	*16,607	***	1,707	-
Land.....	2,850,330	1,600,374	657,462	592,494	33,413,820	3,969,194	***	260,014	179,783
Intangible assets (amortizable).....	935,126	342,674	237,900	354,551	201,903,324	21,268,782	***	1,425,383	1,547,208
Less: Accumulated amortization.....	258,332	96,452	68,108	93,773	48,559,670	2,190,655	***	280,410	356,662
Other assets.....	3,223,298	1,093,876	1,693,493	435,929	182,995,434	15,796,951	***	3,848,184	1,504,853
Total liabilities.....	115,541,574	52,155,214	33,803,190	28,583,170	2,911,121,802	283,453,021	***	33,374,419	28,295,409
Accounts payable.....	19,860,577	10,294,053	3,907,904	5,658,620	321,848,880	67,231,238	***	2,864,814	2,646,231
Mortgages, notes, and bonds payable in less than one year.....	10,477,255	6,374,259	1,564,204	2,538,792	234,513,357	20,484,872	***	2,002,091	2,249,866
Other current liabilities.....	14,792,980	7,902,293	2,996,242	3,894,445	219,632,938	18,545,666	***	2,093,983	2,558,804
Loans from stockholders.....	3,072,056	1,477,648	671,756	922,652	44,383,818	2,165,280	***	216,144	270,419
Mortgages, notes, and bonds payable in one year or more.....	17,869,150	11,108,881	3,755,560	3,004,709	544,840,572	52,273,965	***	7,674,647	5,893,043
Other liabilities.....	7,546,212	2,336,883	4,118,563	1,090,766	405,858,220	20,973,440	***	3,968,448	1,342,270
Capital stock.....	3,916,875	1,133,144	1,576,637	1,207,095	116,643,476	11,980,234	***	1,171,095	1,397,859
Paid-in or capital surplus.....	11,198,031	2,831,505	7,204,355	1,162,171	500,750,236	42,973,738	***	4,875,186	3,679,217
Retained earnings, appropriated.....	88,690	37,011	*11,380	*40,299	3,873,301	725,372	***	6,748	*1,622
Retained earnings, unappropriated.....	29,019,619	9,450,130	8,687,865	10,881,625	621,290,139	63,203,416	***	8,825,675	6,913,400
Less: Cost of treasury stock.....	2,299,872	790,593	691,276	818,003	102,513,134	17,104,199	***	330,405	657,322
Total receipts.....	230,180,672	89,388,915	48,713,749	84,060,008	2,553,480,274	301,381,122	***	42,687,198	38,253,847
Business receipts.....	223,254,305	95,779,094	44,494,111	82,981,100	2,365,252,105	287,274,182	***	41,889,325	37,045,605
Interest.....	2,004,500	1,305,586	485,645	213,270	50,782,404	2,978,063	***	194,937	332,310
Interest on Government obligations:									
State and local.....	82,194	42,211	26,011	13,972	1,352,726	46,969	***	11,902	26,884
Rents.....	712,803	405,396	182,972	124,435	28,152,338	813,685	***	46,980	48,843
Royalties.....	40,114	*4,962	30,997	*4,155	28,178,160	2,736,441	***	63,375	333,691
Net short-term capital gain reduced by net long-term capital loss.....	-50,546	-18,284	-22,297	-9,965	-443,039	-45,624	***	-6,322	*7,654
Net long-term capital gain reduced by net short-term capital loss.....	461,470	177,537	155,242	128,692	8,068,765	612,488	***	26,472	22,965
Net gain, noncapital assets.....	452,399	147,397	153,113	151,889	6,254,238	207,901	***	60,358	19,039
Dividends received from domestic corporations.....	98,821	25,023	48,806	24,991	2,850,743	572,195	***	14,280	6,457
Dividends received from foreign corporations.....	132,147	*27,482	103,005	*1,660	22,187,821	2,301,981	***	74,752	165,848
Other receipts.....	2,871,372	1,453,944	1,011,550	405,879	39,957,934	3,791,593	***	298,496	244,351
Total deductions.....	223,517,350	96,819,749	45,343,123	81,554,479	2,403,575,713	285,241,408	***	40,078,788	35,562,023
Cost of sales and operations.....	170,885,736	78,290,980	34,971,326	57,623,430	1,571,335,500	191,278,556	***	30,635,163	25,824,663
Compensation of officers.....	7,638,284	2,623,871	784,574	4,229,839	20,918,280	1,801,061	***	470,306	689,303
Repairs.....	988,181	215,127	329,190	443,863	21,237,290	2,420,991	***	178,147	123,393
Bad debts.....	343,329	99,472	62,980	180,877	6,444,189	281,859	***	95,328	83,393
Rent paid on business property.....	2,222,558	618,418	601,274	1,002,866	23,861,388	2,448,040	***	249,143	445,641
Taxes paid.....	1,331,990	4,696,672	1,331,990	799,021	2,565,661	65,941,798	***	962,468	894,695
Interest paid.....	2,746,643	1,562,171	613,795	570,678	82,260,812	7,330,992	***	816,720	828,533
Contributions or gifts.....	105,712	40,203	30,703	34,807	2,514,750	331,304	***	41,582	38,156
Amortization.....	106,344	52,748	25,088	28,509	8,011,112	777,724	***	95,847	67,872
Depreciation.....	3,765,577	815,416	1,359,400	1,590,761	86,869,258	7,000,219	***	1,428,817	587,302
Depletion.....	31,170	*5,192	19,632	6,346	3,489,591	11,802	***	2,432	*2
Advertising.....	683,200	244,513	43,716	394,970	49,794,426	14,356,210	***	275,488	753,392
Pension, profit-sharing, stock bonus, and annuity plans.....	1,128,673	289,474	228,396	610,804	13,521,643	1,209,017	***	228,584	154,546
Employee benefit programs.....	2,075,415	540,342	377,804	1,157,269	41,092,217	3,981,228	***	593,611	381,630
Net loss, noncapital assets.....	81,876	27,638	29,095	25,143	1,419,264	77,966	***	8,186	6,461
Other deductions.....	26,017,980	9,862,195	5,067,130	1					

Corporation Returns/1992

RETURNS WITH NET INCOME, OTHER THAN FORMS 1120S, 1120-REIT, AND 1120-RIC

Table 13—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued								
	Manufacturing—Continued								
	Lumber and wood products	Furniture and fixtures	Paper and allied products	Printing and publishing	Chemical and allied products	Petroleum (including integrated) and coal products	Rubber and miscellaneous plastics products	Leather and leather products	Stone, clay, and glass products
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
Number of returns, total.....	8,213	3,718	1,088	17,081	***	843	4,608	591	***
Total assets.....	54,433,588	14,787,449	88,385,180	185,218,314	***	518,473,882	28,529,817	15,782,258	***
Cash.....	1,511,669	580,355	854,860	4,502,579	***	1,607,968	1,112,476	251,499	***
Notes and accounts receivable.....	4,471,607	3,631,077	8,784,621	21,476,269	***	59,816,780	5,553,182	3,866,804	***
Less: Allowance for bad debts.....	91,350	112,041	311,503	1,837,203	***	703,353	181,699	45,395	***
Inventories.....	4,878,515	2,844,619	7,392,267	7,197,494	***	16,312,626	4,345,764	2,352,429	***
Investments in Government obligations.....	*283,578	*20,865	384,024	604,529	***	294,795	*29,982	*35,874	***
Tax-exempt securities.....	*847,517	56,972	*34,482	439,523	***	*269,358	20	16,262	***
Other current assets.....	2,634,259	623,596	6,553,320	6,793,359	***	20,920,974	1,003,770	618,176	***
Loans to stockholders.....	107,515	28,956	172,771	746,776	***	891,698	91,335	*9,549	***
Mortgage and real estate loans.....	2,393,790	*5,304	*2,292,724	60,932	***	*51,040	*17,413	592	***
Other investments.....	10,361,332	1,703,490	18,551,929	70,188,285	***	222,108,167	3,541,450	502,921	***
Depreciable assets.....	32,536,149	8,070,310	61,855,441	53,922,985	***	281,418,022	19,911,207	5,137,475	***
Less: Accumulated depreciation.....	17,820,724	4,324,241	28,085,949	27,883,082	***	148,740,900	10,176,514	2,890,572	***
Depletable assets.....	4,241,265	*1,061	1,927,317	*120,877	***	41,579,643	*49,764	590	***
Less: Accumulated depletion.....	148,441	623	468,134	*84,060	***	23,679,707	-	-	***
Land.....	729,055	194,605	865,679	1,635,153	***	6,604,788	341,537	5,214,090	***
Intangible assets (amortizable).....	308,915	1,153,200	1,611,918	20,156,651	***	40,575,915	1,537,099	553,602	***
Less: Accumulated amortization.....	82,444	184,773	487,970	4,228,791	***	21,961,033	403,813	132,605	***
Other assets.....	7,271,361	494,716	4,457,360	11,406,039	***	21,107,102	1,771,500	270,965	***
Total liabilities.....	54,433,588	14,787,449	88,385,180	185,218,314	***	518,473,882	28,529,817	15,782,258	***
Accounts payable.....	3,409,966	1,834,842	8,257,810	9,039,371	***	43,823,829	2,953,254	1,064,952	***
Mortgages, notes, and bonds payable in less than one year.....	2,853,763	677,341	5,143,744	6,191,855	***	26,425,958	1,443,293	349,006	***
Other current liabilities.....	3,761,015	1,418,840	11,211,133	13,352,910	***	22,473,595	2,571,030	1,574,610	***
Loans from stockholders.....	195,992	64,144	1,245,821	2,088,673	***	6,737,437	514,137	*33,094	***
Mortgages, notes, and bonds payable in one year or more.....	14,582,937	3,101,216	16,874,085	42,140,795	***	76,293,990	6,104,001	6,561,200	***
Other liabilities.....	9,659,914	915,588	8,356,820	13,330,674	***	87,288,653	3,634,506	4,891,144	***
Capital stock.....	1,302,083	771,450	3,906,543	8,494,818	***	16,994,017	1,445,471	831,910	***
Paid-in or capital surplus.....	8,311,137	1,740,058	9,928,668	45,609,830	***	125,467,190	3,915,794	561,434	***
Retained earnings, appropriated.....	*91,300	*707	*64,039	*36,623	***	461,168	*25,988	122	***
Retained earnings, unappropriated.....	10,686,729	4,480,576	23,637,037	30,043,250	***	138,071,022	6,272,815	96,473	***
Less: Cost of treasury stock.....	421,267	217,313	2,240,540	5,109,754	***	25,562,977	350,671	201,720	***
Total receipts.....	58,046,053	24,583,363	75,580,581	127,351,237	***	427,851,405	44,500,971	15,741,513	***
Business receipts.....	53,572,629	23,831,514	72,141,161	119,877,587	***	403,337,113	42,858,761	15,085,429	***
Interest.....	1,098,772	99,714	997,497	2,033,201	***	7,443,822	274,551	312,053	***
Interest on Government obligations:									
State and local.....	7,959	8,788	10,278	38,294	***	33,178	4,413	4,236	***
Rents.....	85,645	23,279	204,295	556,293	***	2,336,732	60,332	26,008	***
Royalties.....	55,598	70,728	636,179	1,642,503	***	1,260,956	149,486	33,648	***
Net short-term capital gain reduced by net long-term capital loss.....	32,499	*4,534	*871	45,742	***	19,078	*3,687	*173	***
Net long-term capital gain reduced by net short-term capital loss.....	372,726	186,751	301,128	406,643	***	386,630	151,636	52,786	***
Net gain, noncapital assets.....	82,844	18,938	79,359	158,749	***	1,427,447	139,433	63,748	***
Dividends received from domestic corporations.....	21,553	5,582	62,490	134,172	***	535,857	12,530	3,704	***
Dividends received from foreign corporations.....	58,458	111,035	473,586	324,047	***	3,256,323	297,215	17,370	***
Other receipts.....	657,369	202,500	653,735	2,134,006	***	7,814,270	548,928	205,468	***
Total deductions.....	53,915,870	23,198,195	71,599,078	118,493,418	***	410,822,740	42,009,551	15,281,218	***
Cost of sales and operations.....	39,057,538	16,301,889	45,507,183	57,662,085	***	311,581,904	28,108,622	10,290,112	***
Compensation of officers.....	671,850	363,517	529,696	2,695,487	***	437,542	781,168	146,525	***
Repairs.....	969,300	78,450	1,352,225	769,177	***	4,432,173	508,559	50,653	***
Bad debts.....	86,425	80,936	137,966	866,248	***	431,431	95,682	28,164	***
Rent paid on business property.....	444,961	288,829	633,062	2,155,621	***	3,499,035	477,311	278,648	***
Taxes paid.....	1,198,829	627,081	1,610,299	3,574,405	***	18,511,893	902,981	453,719	***
Interest paid.....	1,659,260	394,340	1,998,298	4,437,969	***	12,541,051	879,251	654,235	***
Contributions or gifts.....	26,008	18,525	62,882	270,686	***	277,708	22,021	12,308	***
Amortization.....	47,737	36,767	162,719	1,697,870	***	1,099,192	116,814	26,232	***
Depreciation.....	1,679,762	555,942	4,195,560	4,308,374	***	11,427,310	1,425,966	309,765	***
Depletion.....	427,420	*573	173,525	*9,173	***	2,168,114	*5,063	94,376	***
Advertising.....	258,577	361,251	663,406	2,901,874	***	880,247	526,953	285,842	***
Pension, profit-sharing, stock bonus, and annuity plans.....	325,851	145,362	551,517	994,945	***	1,258,809	274,390	46,903	***
Employee benefit programs.....	552,122	421,958	1,581,265	2,624,206	***	2,847,880	973,118	159,691	***
Net loss, noncapital assets.....	12,757	8,033	126,736	115,199	***	180,216	26,638	8,251	***
Other deductions.....	6,497,471	3,514,742	12,312,736	33,410,096	***	39,248,234	6,885,013	2,415,796	***
Total receipts less total deductions.....	2,130,183	1,365,168	3,961,505	8,857,821	***	17,028,665	2,491,420	480,296	***
Constructive taxable income from related foreign corporations.....	12,999	64,643	586,642	229,678					

Corporation Returns/1992

RETURNS WITH NET INCOME, OTHER THAN FORMS 1120S, 1120-REIT, AND 1120-RIC

Table 13—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued							
	Manufacturing—Continued							
	Primary metal industries	Fabricated metal products	Machinery, except electrical	Electrical and electronic equipment	Motor vehicles and equipment	Transportation equipment, except motor vehicles	Instruments and related products	Miscellaneous manufacturing and manufacturing not allocable
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
Number of returns, total.....	1,888	18,480	11,567	6,895	560	1,237	2,281	***
Total assets.....	45,778,252	77,744,978	156,464,071	350,769,988	163,566,273	96,418,797	86,241,852	***
Cash.....	1,747,265	3,216,898	5,385,607	11,925,257	1,468,836	6,373,161	3,687,355	***
Notes and accounts receivable.....	9,649,947	15,900,420	41,815,125	115,268,001	62,202,261	19,488,176	20,479,891	***
Less: Allowance for bad debts.....	173,490	362,624	1,048,123	2,492,463	153,538	461,371	357,114	***
Inventories.....	6,317,114	11,705,766	20,810,074	26,885,865	7,431,160	18,377,808	11,333,395	***
Investments in Government obligations.....	*65,797	185,339	850,682	11,053,287	*3,261,102	221,685	144,764	***
Tax-exempt securities.....	*3,947	103,380	771,938	8,179,535	*695,226	354,118	312,178	***
Other current assets.....	1,369,398	2,896,477	10,459,592	32,041,396	5,415,409	3,280,428	4,681,171	***
Loans to stockholders.....	49,062	223,304	2,247,042	418,992	113,506	568,550	130,851	***
Mortgage and real estate loans.....	*14,038	84,952	85,803	2,657,147	13,829,668	*223,593	*88,138	***
Other investments.....	5,237,757	13,959,971	20,423,232	51,193,308	35,251,694	13,790,337	13,963,570	***
Depreciable assets.....	27,580,829	39,526,569	81,500,703	128,084,117	53,961,390	50,217,665	39,063,125	***
Less: Accumulated depreciation.....	13,511,388	22,003,124	47,994,553	69,397,709	31,973,975	25,806,952	19,799,865	***
Depletable assets.....	615,448	113,745	*53,609	66,192	632	138,101	80	***
Less: Accumulated depletion.....	251,408	*78,870	6,188	17,639	455	27,892	-	***
Land.....	528,937	919,713	1,600,976	1,725,300	518,599	1,014,482	919,631	***
Intangible assets (amortizable).....	3,888,744	4,989,210	8,203,433	11,923,372	3,104,132	3,083,958	6,057,015	***
Less: Accumulated amortization.....	305,848	559,289	1,876,357	2,734,628	332,917	254,589	1,532,155	***
Other assets.....	2,952,101	6,922,840	13,179,474	23,990,659	8,773,541	5,839,540	7,069,824	***
Total liabilities.....	45,778,252	77,744,978	156,464,071	350,769,988	163,566,273	96,418,797	86,241,852	***
Accounts payable.....	5,332,121	7,210,155	16,253,648	32,505,873	20,754,901	9,926,473	9,823,565	***
Mortgages, notes, and bonds payable in less than one year.....	1,932,162	4,913,581	17,961,708	66,979,310	29,962,274	3,384,676	5,013,776	***
Other current liabilities.....	4,610,238	6,500,083	13,069,776	23,389,153	5,740,999	20,797,426	9,136,951	***
Loans from stockholders.....	810,707	801,390	1,376,557	1,308,453	1,182,351	543,884	840,683	***
Mortgages, notes, and bonds payable in one year or more.....	9,673,205	13,529,634	30,076,397	44,101,353	37,242,400	16,393,047	15,917,367	***
Other liabilities.....	5,405,067	7,847,819	19,484,874	89,384,726	27,159,079	15,671,754	6,544,254	***
Capital stock.....	2,784,157	3,793,454	14,485,329	9,372,871	3,998,108	3,850,979	3,825,228	***
Paid-in or capital surplus.....	7,569,676	13,858,818	17,803,120	30,426,622	21,220,648	5,651,122	13,572,309	***
Retained earnings, appropriated.....	*85,742	38,198	86,160	17,681	732	*251,148	978,158	***
Retained earnings, unappropriated.....	8,312,604	22,285,077	30,697,847	60,126,238	17,295,565	22,831,630	24,899,240	***
Less: Cost of treasury stock.....	717,426	2,833,029	4,831,346	6,822,295	988,691	2,883,342	4,309,675	***
Total receipts.....	61,261,788	85,805,888	168,828,384	248,400,704	112,223,176	124,586,587	89,085,172	***
Business receipts.....	49,823,888	92,314,341	139,656,123	216,059,588	99,910,771	115,763,460	82,497,538	***
Interest.....	368,829	631,046	2,450,220	10,421,159	6,561,611	2,321,381	855,337	***
Interest on Government obligations:								
State and local.....	5,230	23,628	176,574	578,370	75,531	20,542	50,076	***
Rents.....	47,516	316,185	7,295,088	8,048,925	3,952,568	1,134,769	1,065,488	***
Royalties.....	204,343	366,265	11,292,926	1,962,642	99,856	136,966	1,071,368	***
Net short-term capital gain reduced by net long-term capital loss.....	2,591	5,481	9,684	108,952	20,542	25,006	32,422	***
Net long-term capital gain reduced by net short-term capital loss.....	95,208	324,884	511,048	812,622	121,347	129,374	241,817	***
Net gain, noncapital assets.....	209,288	195,859	169,784	1,410,057	545,624	274,754	168,254	***
Dividends received from domestic corporations.....	14,725	68,679	83,843	317,327	66,173	75,518	37,482	***
Dividends received from foreign corporations.....	235,427	355,218	3,905,036	1,470,403	292,667	1,427,611	1,482,866	***
Other receipts.....	444,743	1,004,298	3,279,039	5,210,659	576,487	3,277,205	1,562,524	***
Total deductions.....	49,186,323	90,025,441	158,787,151	231,760,254	109,511,078	118,199,845	81,880,131	***
Cost of sales and operations.....	37,750,277	63,118,659	94,828,200	140,551,366	75,710,497	90,191,113	48,466,230	***
Compensation of officers.....	439,747	2,297,731	1,855,873	2,157,395	290,317	567,542	839,889	***
Repairs.....	549,228	463,786	928,382	1,566,538	1,255,336	643,836	302,347	***
Bad debts.....	65,185	256,178	409,193	1,653,337	517,722	192,414	160,954	***
Rent paid on business property.....	330,964	773,010	2,076,548	2,902,192	725,645	809,868	674,868	***
Taxes paid.....	1,055,443	2,359,601	3,469,522	5,087,273	1,695,466	1,970,627	1,669,217	***
Interest paid.....	1,057,471	1,915,650	4,342,447	12,245,371	6,247,671	2,501,610	2,250,710	***
Contributions or gifts.....	22,649	58,973	179,342	156,991	26,886	81,782	117,531	***
Amortization.....	107,630	167,014	471,181	688,725	137,135	122,885	327,518	***
Depreciation.....	1,721,819	2,519,952	5,796,775	14,155,568	7,943,027	2,239,452	2,759,199	***
Depletion.....	166,360	4,501	11,396	*3,952	2,810	25,379	7	***
Advertising.....	78,900	1,036,309	1,687,617	2,719,328	886,991	234,302	2,016,465	***
Pension, profit-sharing, stock bonus, and annuity plans.....	429,129	601,533	1,108,286	1,528,799	222,539	689,813	884,668	***
Employee benefit programs.....	1,055,262	2,006,847	3,842,455	4,465,596	2,927,614	2,068,572	1,434,744	***
Net loss, noncapital assets.....	18,261	57,730	187,352	142,854	75,657	126,112	82,272	***
Other deductions.....	4,337,999	12,387,967	37,602,583	41,734,970	10,845,762	15,734,537	19,893,513	***
Total receipts less total deductions.....	2,065,464	5,580,445	10,032,213	14,640,449	2,712,100	6,386,742	7,185,041	***
Constructive taxable income from related foreign corporations.....	177,390	291,322	2,082,426	1,329,875	697,511	171,252	732,582	***
Net income.....	2,237,624	5,848,139	11,938,065	15,391,955	3,334,081	6,537,451	7,867,547	***
Income subject to tax.....	1,870,022	5,222,512	11,136,927	13,623,101	3,005,899	4,870,533	7,066,343	***
Income tax, total ²	700,505	1,755,343	3,882,645	4,813,952	1,161,071	1,684,763	2,407,454	***
Regular tax.....	631,706	1,721,713	3,750,598	4,618,848	1,019,696	1,649,377	2,379,250	

Corporation Returns/1992

RETURNS WITH NET INCOME, OTHER THAN FORMS 1120S, 1120-REIT, AND 1120-RIC

Table 13—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued								
	Transportation and public utilities				Wholesale and retail trade				
	Total	Transportation	Communication	Electric, gas, and sanitary services	Total	Total	Groceries and related products	Machinery, equipment, and supplies	Miscellaneous wholesale trade
	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)
Number of returns, total.....	54,453	44,957	***	***	317,489	114,160	9,295	20,015	84,849
Total assets.....	1,333,001,999	136,559,684	***	***	891,309,521	479,758,098	36,322,044	36,845,353	406,590,701
Cash.....	18,043,571	6,162,792	***	***	42,469,785	20,701,983	1,483,942	2,548,992	16,669,049
Notes and accounts receivable.....	138,655,584	18,527,864	***	***	185,456,021	135,935,907	8,908,563	10,666,438	116,360,906
Less: Allowance for bad debts.....	3,889,935	365,950	***	***	3,343,256	2,086,608	217,902	220,299	1,648,407
Inventories.....	23,962,286	1,987,742	***	***	255,003,245	128,885,656	7,901,647	11,841,476	109,142,534
Investments in Government obligations.....	3,204,845	598,152	***	***	35,869,994	34,746,224	*28,666	*63,163	34,654,395
Tax-exempt securities.....	1,349,887	419,151	***	***	1,523,324	703,334	*22,795	*136,189	544,350
Other current assets.....	46,616,743	4,911,602	***	***	50,470,648	38,175,465	925,476	1,508,723	35,741,266
Loans to stockholders.....	2,163,519	743,860	***	***	5,213,838	2,172,479	188,359	427,318	1,556,802
Mortgage and real estate loans.....	2,388,198	484,286	***	***	2,331,198	1,579,675	202,862	67,693	1,309,120
Other investments.....	207,198,754	15,555,015	***	***	75,597,821	42,916,342	5,669,280	2,973,358	34,273,704
Depreciable assets.....	1,187,662,179	136,904,425	***	***	295,979,513	101,131,066	13,802,781	10,326,225	77,002,060
Less: Accumulated depreciation.....	439,703,028	60,922,689	***	***	132,337,566	49,739,905	6,962,743	5,574,697	37,202,465
Depletable assets.....	10,292,725	370,257	***	***	635,927	450,109	9,637	*8,717	431,755
Less: Accumulated depletion.....	4,484,519	156,560	***	***	234,317	206,744	398	*4,812	201,534
Land.....	10,312,286	3,097,726	***	***	25,373,239	6,355,106	708,505	587,050	5,059,551
Intangible assets (amortizable).....	51,716,186	3,457,039	***	***	25,020,797	11,324,305	2,422,273	645,367	8,256,665
Less: Accumulated amortization.....	6,289,259	554,187	***	***	5,486,644	2,419,743	308,749	161,799	1,949,196
Other assets.....	83,801,976	5,339,158	***	***	31,765,954	9,133,447	1,537,049	1,006,251	6,590,146
Total liabilities.....	1,333,001,999	136,559,684	***	***	891,309,521	479,758,098	36,322,044	36,845,353	406,590,701
Accounts payable.....	77,958,276	13,346,662	***	***	138,876,782	80,668,694	7,653,929	7,735,438	65,279,327
Mortgages, notes, and bonds payable in less than one year.....	68,930,979	9,078,442	***	***	167,871,122	125,869,935	2,025,588	6,298,550	117,545,797
Other current liabilities.....	96,882,238	13,056,519	***	***	109,343,130	69,273,005	3,564,173	2,616,861	63,091,971
Loans from stockholders.....	2,983,885	1,438,690	***	***	14,366,466	6,847,099	519,305	746,343	5,581,451
Mortgages, notes, and bonds payable in one year or more.....	381,812,396	33,233,976	***	***	152,024,784	60,163,919	7,340,398	4,498,927	48,324,594
Other liabilities.....	206,994,269	21,718,913	***	***	38,995,763	16,333,418	1,386,402	1,507,320	13,439,696
Capital stock.....	141,108,525	4,540,734	***	***	40,824,810	20,745,407	1,192,371	2,079,419	17,473,617
Paid-in or capital surplus.....	199,849,274	14,480,048	***	***	65,067,167	28,367,934	4,536,376	2,194,762	21,636,796
Retained earnings, appropriated.....	3,276,954	272,053	***	***	774,528	298,196	*38,576	48,708	210,912
Retained earnings, unappropriated.....	170,510,079	29,009,480	***	***	177,571,630	77,903,938	8,845,522	9,878,112	59,180,304
Less: Cost of treasury stock.....	17,304,875	3,615,832	***	***	14,406,660	6,713,447	780,597	759,088	5,173,762
Total receipts.....	733,293,614	178,787,794	***	***	1,925,676,028	941,444,834	142,787,278	77,130,324	721,547,233
Business receipts.....	689,679,671	170,876,265	***	***	1,875,250,148	917,390,510	140,028,504	75,140,167	702,221,839
Interest.....	13,180,552	1,866,600	***	***	15,436,234	9,652,537	382,728	395,115	8,874,695
Interest on Government obligations:									
State and local.....	242,565	22,621	***	***	214,753	101,700	15,167	14,177	72,356
Rents.....	8,821,876	1,782,714	***	***	5,523,378	2,356,789	250,692	581,222	1,524,874
Royalties.....	633,872	91,930	***	***	2,005,802	450,896	*32,592	13,523	404,781
Net short-term capital gain reduced by net long-term capital loss.....	147,554	21,125	***	***	138,493	90,263	4,622	2,090	83,551
Net long-term capital gain reduced by net short-term capital loss.....	1,991,379	398,832	***	***	2,573,433	603,572	26,372	76,715	500,485
Net gain, noncapital assets.....	2,485,682	797,102	***	***	1,964,507	959,504	25,912	163,212	770,380
Dividends received from domestic corporations.....	1,348,492	112,092	***	***	459,516	243,678	26,730	10,794	206,154
Dividends received from foreign corporations.....	457,057	93,634	***	***	1,484,184	1,225,663	*4,864	37,476	1,183,323
Other receipts.....	14,304,914	2,724,879	***	***	20,625,582	8,369,722	1,969,095	695,833	5,704,795
Total deductions.....	679,077,052	170,725,091	***	***	1,876,746,128	922,074,383	140,760,957	74,909,471	706,404,854
Cost of sales and operations.....	273,614,047	66,944,905	***	***	1,443,378,819	765,400,881	120,519,919	57,157,837	587,723,125
Compensation of officers.....	4,987,494	2,791,210	***	***	23,840,013	12,263,013	1,179,465	2,043,036	9,040,512
Repairs.....	24,610,319	4,579,605	***	***	6,870,063	2,219,484	457,043	234,033	1,528,408
Bad debts.....	6,087,646	600,283	***	***	4,112,406	1,788,127	198,301	212,414	1,377,411
Rent paid on business property.....	14,708,852	6,649,097	***	***	33,223,949	6,949,896	1,008,478	752,365	5,189,053
Taxes paid.....	35,047,128	7,270,234	***	***	28,244,369	10,390,660	1,303,362	1,038,520	8,048,778
Interest paid.....	42,268,621	4,420,876	***	***	24,946,850	11,841,100	887,044	825,766	10,128,290
Contributions or gifts.....	587,731	94,045	***	***	740,120	290,309	55,223	27,809	207,277
Amortization.....	3,832,231	178,769	***	***	1,594,730	671,049	100,252	57,082	513,714
Depreciation.....	69,001,376	9,015,434	***	***	25,993,083	10,332,679	1,103,722	1,249,508	7,979,449
Depletion.....	719,807	84,387	***	***	55,141	51,709	*424	479	50,806
Advertising.....	4,342,029	693,624	***	***	21,598,706	6,911,293	584,800	399,097	5,927,396
Pension, profit-sharing, stock bonus, and annuity plans.....	5,219,726	1,595,192	***	***	4,761,591	2,083,263	313,828	269,191	1,500,243
Employee benefit programs.....	16,375,174	5,222,070	***	***	12,684,838	4,445,532	922,540	565,366	2,957,626
Net loss, noncapital assets.....	1,783,516	190,885	***	***	529,985	167,403	12,163	34,401	120,839
Other deductions.....	175,891,357	60,394,473	***	***	244,171,467	86,267,988	12,113,494	10,042,567	64,111,926
Total receipts less total deductions.....	54,216,562	8,062,704	***	***	48,9				

Corporation Returns/1992

RETURNS WITH NET INCOME, OTHER THAN FORMS 1120S, 1120-REIT, AND 1120-RIC

Table 13—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued									
	Wholesale and retail trade—continued									
	Retail trade									
	Total	Building materials, garden supply and mobile home dealers	General merchandise stores	Food stores	Automotive dealers and service stations	Apparel and accessory stores	Furniture and home furnishing stores	Eating and drinking places	Miscellaneous retail stores	Wholesale and retail trade not allocable
(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	
Number of returns, total.....	202,248	14,468	3,430	16,770	37,253	12,808	11,328	35,617	70,578	1,081
Total assets.....	410,487,298	22,888,482	110,580,791	70,530,606	45,870,781	37,126,200	14,449,792	44,714,871	64,307,794	1,084,125
Cash.....	21,573,508	1,225,153	2,600,945	4,996,740	3,242,617	1,416,032	1,025,814	2,449,093	4,617,112	194,295
Notes and accounts receivable.....	49,211,745	3,445,962	14,190,117	5,120,008	6,054,935	4,373,080	3,175,705	2,809,327	10,042,611	308,369
Less: Allowance for bad debts.....	1,251,925	66,016	303,683	67,245	98,041	142,079	100,106	98,710	376,045	*4,723
Inventories.....	125,857,093	7,457,661	36,401,963	16,069,730	23,881,527	10,961,288	5,712,061	1,155,911	24,216,952	260,496
Investments in Government obligations.....	1,123,770	*5,361	*449,176	253,182	*50,060	*64,389	*16,700	*43,967	240,934	-
Tax-exempt securities.....	819,990	*2,942	*163,108	*444,207	*12,523	*10,047	*51,893	*40,674	94,596	-
Other current assets.....	12,270,991	1,198,986	2,685,997	1,788,586	1,029,617	2,150,495	368,167	1,084,013	1,965,131	24,192
Loans to stockholders.....	3,036,774	128,283	31,362	190,528	480,370	674,485	94,490	808,659	628,598	*4,585
Mortgage and real estate loans.....	751,523	287,319	*30,474	98,611	54,012	*7,633	*27,571	122,359	123,544	-
Other investments.....	32,644,622	1,312,727	7,106,234	4,916,086	1,464,102	5,621,420	1,079,395	6,553,441	4,591,218	*36,857
Depreciable assets.....	194,533,781	9,146,098	51,020,516	46,498,469	14,704,564	15,706,326	4,766,840	29,596,742	23,094,227	314,666
Less: Accumulated depreciation.....	82,415,096	4,200,846	16,502,677	20,721,875	7,771,816	6,577,710	2,345,318	12,765,858	11,528,995	182,565
Depletable assets.....	185,818	*47,764	25,977	*62,919	*33,183	-	-	*13,075	*2,901	-
Less: Accumulated depletion.....	27,573	*7,496	-	*11,004	*512	-	-	*6,852	*1,710	-
Land.....	19,007,211	1,490,939	4,977,633	4,363,210	1,596,057	288,004	215,064	4,586,368	1,489,937	*10,922
Intangible assets (amortizable).....	13,678,828	211,402	2,366,607	1,594,094	387,199	1,938,588	146,782	3,418,368	3,615,788	*17,664
Less: Accumulated amortization.....	3,058,705	78,197	347,004	330,083	160,869	377,495	39,836	847,244	877,977	*8,196
Other assets.....	22,524,943	1,278,421	5,684,047	5,264,443	911,252	1,011,699	254,569	5,751,539	2,368,973	107,564
Total liabilities.....	410,487,298	22,888,482	110,580,791	70,530,606	45,870,781	37,126,200	14,449,792	44,714,871	64,307,794	1,084,125
Accounts payable.....	58,042,552	3,046,695	15,605,798	12,735,926	4,286,525	5,215,475	2,388,264	2,454,420	12,309,449	165,536
Mortgages, notes, and bonds payable in less than one year.....	41,942,172	1,449,616	9,354,137	3,528,738	18,471,292	2,160,259	1,129,052	1,555,405	4,293,673	59,014
Other current liabilities.....	39,969,058	1,755,124	11,926,506	8,770,646	2,689,334	3,816,192	1,401,153	3,885,719	5,724,384	101,067
Loans from stockholders.....	7,495,286	684,798	582,630	1,788,974	1,788,179	643,512	324,669	853,501	2,441,022	*24,081
Mortgages, notes, and bonds payable in one year or more.....	91,597,847	5,257,473	27,841,392	23,544,599	5,973,173	4,324,381	2,380,880	11,719,370	10,556,579	263,018
Other liabilities.....	22,600,425	683,582	6,012,916	3,598,032	730,457	2,230,167	509,867	6,400,263	2,435,142	*61,920
Capital stock.....	19,914,114	965,884	3,961,615	2,193,875	2,248,018	3,023,083	1,111,085	3,416,339	2,994,515	165,290
Paid-in or capital surplus.....	36,607,388	2,356,678	8,011,545	6,278,487	1,833,847	4,731,976	758,744	4,791,102	7,844,925	*91,845
Retained earnings, appropriated.....	476,331	*6,526	*20,240	*26,064	68,617	*145,870	*58,967	15,227	134,822	-
Retained earnings, unappropriated.....	99,469,122	7,115,739	27,880,586	10,312,030	8,688,484	11,568,674	5,315,711	11,723,103	16,864,795	198,570
Less: Cost of treasury stock.....	7,646,998	435,737	210,919	1,040,420	907,145	733,390	928,600	2,099,276	1,291,511	*46,215
Total receipts.....	981,610,874	50,508,940	208,808,265	235,868,219	171,127,527	71,578,881	29,278,748	81,947,624	151,682,573	2,620,320
Business receipts.....	955,360,797	49,243,928	203,112,143	231,365,592	168,043,603	69,207,806	28,529,745	57,971,085	147,832,895	2,552,840
Interest.....	5,754,620	426,802	1,855,134	481,881	651,602	684,263	296,261	709,684	648,994	29,077
Interest on Government obligations:										
State and local.....	113,036	13,921	14,304	37,160	2,405	12,929	*4,853	11,463	16,000	17
Rents.....	3,155,680	171,124	707,036	748,063	451,351	134,314	77,584	327,201	539,007	*10,909
Royalties.....	1,554,709	113,445	58,233	54,298	*1,490	456,255	*11,883	558,446	300,661	197
Net short-term capital gain reduced by net long-term capital loss.....	48,230	9,380	6,013	7,589	1,249	*1,164	*2,112	9,607	11,116	-
Net long-term capital gain reduced by net short-term capital loss.....	1,969,178	42,853	1,450,469	91,378	48,866	14,819	50,055	128,256	142,482	*683
Net gain, noncapital assets.....	1,002,907	38,139	196,336	198,775	194,465	3,960	7,817	212,330	151,084	*2,096
Dividends received from domestic corporations.....	214,937	15,701	68,502	10,808	16,760	66,562	3,718	11,616	21,271	*900
Dividends received from foreign corporations.....	258,521	*1,044	37,073	*9,878	*760	86,252	-	108,041	15,474	-
Other receipts.....	12,232,258	432,604	2,101,021	2,863,797	1,714,975	910,657	295,718	1,899,896	2,013,590	23,602
Total deductions.....	952,156,704	48,855,177	200,342,948	231,741,019	168,830,999	68,461,384	28,318,331	58,702,380	146,804,488	2,515,042
Cost of sales and operations.....	676,106,935	35,560,467	141,467,241	175,394,085	141,355,512	41,865,554	18,341,074	22,685,864	99,437,138	1,871,003
Compensation of officers.....	11,454,482	991,455	873,124	2,334,758	646,591	762,524	1,400,606	3,943,037	122,518	-
Repairs.....	4,642,801	246,693	814,411	1,356,270	490,002	282,302	118,621	722,367	612,135	7,778
Bad debts.....	2,318,342	135,831	745,878	190,411	190,702	284,125	164,633	53,008	553,755	*5,937
Rent paid on business property.....	26,238,744	658,540	5,763,701	4,165,734	1,862,463	4,755,060	911,546	3,389,708	4,731,992	35,309
Taxes paid.....	17,809,126	926,350	3,766,246	3,549,518	2,114,170	1,628,499	590,823	2,449,798	2,783,722	44,583
Interest paid.....	13,075,155	834,843	3,593,074	2,575,945	1,364,569	901,125	352,658	1,798,618	1,654,323	30,594
Contributions or gifts.....	448,261	18,028	159,672	73,182	27,686	47,191	17,662	32,793	72,047	*1,550
Amortization.....	922,173	27,566	133,930	146,235	56,512	115,723	15,720	197,370	229,116	*1,508
Depreciation.....	15,628,961	647,707	3,965,351	3,478,927	1,455,368	1,432,312	347,909	2,113,967	2,187,420	31,443
Depletion.....	3,432	*2,796	(¹)	1	*90	*28	-	*269	*248	-
Advertising.....	14,667,371	580,278	3,433,534	1,974,143	1,518,797	1,365,596	1,198,705	1,514,120	3,082,196	20,043
Pension, profit-sharing, stock bonus, and annuity plans.....	2,657,689	147,937	648,809	810,697	150,051	195,965	72,051	218,010	414,168	*20,639
Employee benefit programs.....	8,228,013	304,096	1,682,936	2,986,411	760,386	601,547	156,268	767,146	969,223	*11,293
Net loss, noncapital assets.....	361,273	10,063	31,038	80,466	30,252	78,055	17,222	27,629	86,547	*1,309
Other deductions.....	157,593,945	7,762,527	33,674,737	34,085,870	15,119,682	14,261,709	5,250,915	21,291,084	26,147,422	309,535
Total receipts less total deductions.....	29,454,171	1,653,763	9,263,319	4,128,200	2,296,528	3,117,596	961,415	3,245,264	4,788,085	105,278
Constructive taxable income from related foreign corporations.....	211,627	-	69,447	1,213	*343	28,444	81	80,494	31,604	-
Net income.....	29,552,761	1,639,842	9,318,463	4,092,253	2,294,465	3,133,112	956,643	3,314,295	4,803,689	105,262
Income subject to tax.....	25,499,700	1,475,236	7,625,748	3,910,623	1,675,319	2,951,773	849,053	2,756,456	4,255,492	91,141
Income tax, total ²	8,338,134	464,063	2,641,782	1,342,671	475,096	965,742	254,912	915,895	1,277,973	28,729
Regular tax.....	8,164,709	458,248	2,585,301	1,299,571	467,286	959,136	253,298	874,601	1,267,269	28,651
Personal holding company tax.....	-	-	-	-	-	-	-	-	-	-
Recapture of investment credit.....	464	-	462	-	-	-	-	(¹)	2	-
Alternative minimum tax.....	147,031	4,557	43,278	37,116	11,797	3,296	*1,010	38,092	7,885	-
Environmental tax.....	30,128	1,259	12,741	5,029	435	3,609	603	3,115	3,337	78
Foreign tax credit.....	291,973	*59	52,305	10,957	*156	42,369	1,109	171,488	13,530	63
U.S. possessions tax credit.....	25,031	-	15,156	7,740	1,187	20	-	928	-	-
Orphan drug credit.....	-	-	-	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	*56	(¹)	-	-	*51	-	-	1	*4	-
General business credit.....	193,626	6,333	61,215	33,279	8,744	16,468	*2,150	42,580	22,858	*90
Prior year minimum tax credit.....	73,341	2,364	17,643	17,021	11,298	4,146	*2,828	2,254	15,786	*529
Total income tax after credits.....	7,754,107	455,307								

Corporation Returns/1992

RETURNS WITH NET INCOME, OTHER THAN FORMS 1120S, 1120-REIT, AND 1120-RIC

Table 13--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued							
	Finance, insurance, and real estate							
	Total	Banking	Credit agencies other than banks	Security, commodity brokers and services	Insurance	Insurance agents, brokers, and service	Real estate	Holding and other investment companies, except bank holding companies
	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)
Number of returns, total.....	197,235	8,858	***	5,582	5,118	***	127,950	17,067
Total assets.....	8,117,883,378	3,815,840,073	***	544,091,743	2,042,873,541	***	97,054,945	155,111,925
Cash.....	393,387,197	286,429,103	***	11,926,949	17,929,585	***	9,805,275	3,363,852
Notes and accounts receivable.....	2,197,528,505	1,631,059,210	***	129,110,836	112,794,644	***	6,961,347	36,556,419
Less: Allowance for bad debts.....	65,393,137	46,090,292	***	379,385	2,097,012	***	295,711	365,121
Inventories.....	12,395,035	514,560	***	853,576	3,135,548	***	3,138,299	583,622
Investments in Government obligations.....	816,528,077	542,547,211	***	34,168,472	176,739,098	***	919,224	2,841,102
Tax-exempt securities.....	262,546,417	64,095,784	***	1,993,211	174,616,533	***	597,559	957,965
Other current assets.....	665,059,907	183,012,358	***	182,295,870	219,953,562	***	5,477,304	10,139,987
Loans to stockholders.....	18,377,406	919,929	***	1,129,667	1,934,668	***	1,607,246	6,656,414
Mortgage and real estate loans.....	1,311,242,228	368,809,766	***	1,367,885	211,937,637	***	3,213,258	1,767,967
Other investments.....	1,779,607,861	355,428,054	***	156,906,008	1,004,751,154	***	16,435,153	55,832,931
Depreciable assets.....	224,546,820	89,146,346	***	7,967,014	35,145,901	***	52,895,396	8,948,438
Less: Accumulated depreciation.....	88,137,843	38,201,677	***	3,938,066	8,110,541	***	19,779,766	4,070,260
Depletable assets.....	917,876	11,486	***	*1,396	398,105	***	291,141	205,377
Less: Accumulated depletion.....	321,890	3,303	***	*801	178,929	***	96,854	40,828
Land.....	25,088,903	7,182,727	***	147,805	1,883,618	***	11,910,645	929,878
Intangible assets (amortizable).....	35,305,983	14,891,192	***	1,422,729	5,787,689	***	1,190,405	1,916,125
Less: Accumulated amortization.....	8,270,129	3,219,512	***	482,143	1,634,134	***	388,817	376,328
Other assets.....	537,474,159	359,307,131	***	19,600,720	87,886,415	***	3,173,842	29,264,387
Total liabilities.....	8,117,883,378	3,815,840,073	***	544,091,743	2,042,873,541	***	97,054,945	155,111,925
Accounts payable.....	545,199,575	325,723,677	***	97,347,884	26,771,747	***	2,526,406	4,076,958
Mortgages, notes, and bonds payable in less than one year.....	602,189,426	200,871,279	***	35,434,732	44,972,575	***	7,884,042	55,435,460
Other current liabilities.....	3,857,197,153	2,566,449,351	***	334,020,715	359,783,719	***	5,338,236	5,680,979
Loans from stockholders.....	34,974,828	9,130,914	***	752,797	6,060,171	***	5,335,374	3,560,824
Mortgages, notes, and bonds payable in one year or more.....	568,481,980	167,522,170	***	21,655,542	48,628,071	***	30,269,812	28,221,108
Other liabilities.....	1,532,469,274	177,462,409	***	26,680,132	1,184,118,630	***	7,667,232	11,058,844
Capital stock.....	110,936,285	58,513,115	***	3,998,235	18,948,584	***	7,977,193	9,285,529
Paid-in or capital surplus.....	394,316,824	148,539,290	***	11,085,106	139,415,923	***	19,370,889	24,689,740
Retained earnings, appropriated.....	32,964,124	2,049,431	***	*164,454	25,849,490	***	1,179,569	1,152,789
Retained earnings, unappropriated.....	458,178,854	162,953,676	***	15,028,372	195,129,355	***	11,241,645	12,994,051
Less: Cost of treasury stock.....	19,024,945	3,375,239	***	2,076,227	6,804,725	***	1,735,453	1,044,356
Total receipts.....	1,453,264,821	459,595,702	***	63,504,047	678,787,454	***	45,501,848	23,285,963
Business receipts.....	759,921,372	124,359,196	***	36,161,886	494,369,752	***	33,140,175	9,071,241
Interest.....	526,982,177	283,333,643	***	19,822,592	112,357,938	***	1,877,366	8,557,518
Interest on Government obligations:								
State and local.....	13,366,560	6,081,093	***	191,263	5,989,761	***	81,492	100,999
Rents.....	25,817,177	9,416,053	***	641,681	8,683,395	***	3,936,622	1,347,983
Royalties.....	653,556	39,907	***	19,656	73,303	***	192,177	248,524
Net short-term capital gain reduced by net long-term capital loss.....	4,772,383	187,992	***	368,891	3,874,108	***	66,826	172,498
Net long-term capital gain reduced by net short-term capital loss.....	19,097,672	1,772,076	***	511,333	11,953,824	***	1,956,485	1,275,622
Net gain, noncapital assets.....	7,541,671	4,893,297	***	27,852	503,439	***	214,378	119,919
Dividends received from domestic corporations.....	5,689,620	801,004	***	205,753	3,305,425	***	220,725	639,068
Dividends received from foreign corporations.....	1,471,015	298,547	***	65,211	645,402	***	6,783	263,583
Other receipts.....	87,951,079	28,412,896	***	5,487,929	37,031,106	***	3,808,821	1,489,008
Total deductions.....	1,328,084,686	413,338,314	***	57,773,847	637,877,524	***	40,104,215	19,404,331
Cost of sales and operations.....	435,358,082	68,313,921	***	5,236,673	339,849,646	***	10,067,965	4,550,684
Compensation of officers.....	25,119,174	11,783,913	***	3,437,660	2,226,634	***	2,073,774	539,898
Repairs.....	4,676,941	2,454,295	***	131,260	260,368	***	1,047,119	49,123
Bad debts.....	38,211,845	26,900,032	***	453,660	1,738,652	***	226,741	506,469
Rent paid on business property.....	17,195,531	6,239,596	***	2,033,296	4,788,046	***	1,134,041	253,484
Taxes paid.....	26,089,589	7,802,774	***	1,265,442	11,046,304	***	2,489,663	367,778
Interest paid.....	275,183,298	164,719,032	***	16,247,651	14,043,001	***	3,339,984	6,371,367
Contributions or gifts.....	1,084,228	577,045	***	85,032	166,313	***	60,641	28,682
Amortization.....	4,047,923	1,788,231	***	160,967	954,837	***	152,728	67,871
Depreciation.....	26,147,829	13,719,650	***	815,667	5,507,384	***	2,022,588	1,273,443
Depletion.....	150,905	12,453	***	*232	34,079	***	27,823	75,439
Advertising.....	7,520,110	2,515,092	***	899,076	1,321,435	***	558,927	128,152
Pension, profit-sharing, stock bonus, and annuity plans.....	5,665,744	1,786,415	***	442,895	2,363,476	***	154,751	69,089
Employee benefit programs.....	12,348,366	5,855,217	***	620,078	3,373,943	***	343,272	194,112
Net loss, noncapital assets.....	2,467,679	1,128,175	***	30,117	371,210	***	51,617	44,859
Other deductions.....	446,797,443	97,742,474	***	25,914,140	249,832,196	***	16,352,581	4,883,883
Total receipts less total deductions.....	125,200,135	46,257,388	***	5,730,201	40,909,930	***	5,397,633	3,881,631
Constructive taxable income from related foreign corporations.....	4,822,196	2,465,906	***	652,667	945,338	***	*3,386	229,645
Net income.....	116,655,771	42,642,200	***	6,191,605	35,865,507	***	5,319,528	4,010,277
Income subject to tax.....	100,891,082	38,152,617	***	5,800,890	31,895,136	***	3,708,074	3,022,081
Income tax, total ²	35,086,651	13,404,504	***	1,992,973	11,378,122	***	1,074,945	1,038,207
Regular tax.....	33,863,870	12,953,974	***	1,963,012	10,799,881	***	1,034,204	974,692
Personal holding company tax.....	16,193	*66	***					

Corporation Returns/1992

RETURNS WITH NET INCOME, OTHER THAN FORMS 1120S, 1120-REIT, AND 1120-RIC

Table 13—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major Industry—Continued							
	Services							
	Total	Hotels and other lodging places	Personal services	Business services	Auto repair, miscellaneous repair services	Amusement and recreation services	Other services	Nature of business not allocable
	(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)
Number of returns, total.....	289,088	5,042	22,394	84,537	39,936	25,855	91,522	3,755
Total assets.....	340,519,798	18,843,845	12,525,156	134,414,934	30,914,648	47,323,317	98,498,099	418,111
Cash.....	25,054,650	1,431,254	1,153,659	9,523,599	1,684,444	3,132,252	8,129,441	50,995
Notes and accounts receivable.....	58,307,951	964,179	1,722,087	27,910,886	3,645,483	3,978,669	20,086,645	*67,421
Less: Allowance for bad debts.....	3,235,718	113,225	47,222	811,335	73,528	264,411	1,925,997	*608
Inventories.....	10,399,607	247,598	822,286	3,358,113	2,102,965	2,154,110	1,714,535	*46,797
Investments in Government obligations.....	2,208,712	*18,823	*13,787	743,332	*84,193	*73,370	1,275,206	3,160
Tax-exempt securities.....	1,940,732	*21,781	*135,093	699,326	*110,199	*13,740	960,594	*103
Other current assets.....	21,646,506	526,041	531,053	10,909,417	1,622,582	3,291,689	4,765,723	*6,952
Loans to stockholders.....	4,788,137	775,486	165,456	1,468,361	424,523	956,021	998,292	*15,172
Mortgage and real estate loans.....	5,416,950	231,506	*58,114	3,701,472	187,330	148,770	1,089,758	*4,627
Other investments.....	70,114,370	2,963,624	1,077,624	34,934,801	2,069,388	8,761,530	20,307,404	*76,072
Depreciable assets.....	163,740,972	13,386,638	8,417,987	47,274,395	26,201,617	25,106,968	43,353,966	174,621
Less: Accumulated depreciation.....	76,353,536	5,256,910	4,804,516	26,188,490	10,499,510	12,112,642	17,491,469	59,938
Depletable assets.....	145,955	*6,343	-	69,991	*529	*20,067	*49,026	*1,109
Less: Accumulated depletion.....	66,884	*1,023	-	19,845	*485	*15,108	*30,422	*928
Land.....	8,175,959	1,676,286	598,003	1,020,066	846,434	1,405,995	2,629,175	*30,871
Intangible assets (amortizable).....	27,386,763	324,184	1,372,763	12,735,071	2,081,687	4,993,825	5,879,234	*696
Less: Accumulated amortization.....	7,384,961	130,038	268,842	3,461,216	165,494	1,900,807	1,458,564	*268
Other assets.....	28,233,634	1,771,696	1,577,823	10,546,992	592,292	7,579,281	6,165,552	*1,256
Total liabilities.....	340,519,798	18,843,845	12,525,156	134,414,934	30,914,648	47,323,317	98,498,099	418,111
Accounts payable.....	26,246,543	575,873	546,619	13,055,746	1,966,985	2,658,294	7,443,026	9,742
Mortgages, notes, and bonds payable in less than one year.....	19,804,617	698,296	367,156	8,334,205	3,834,946	1,255,743	5,314,271	*6,075
Other current liabilities.....	47,701,819	1,069,441	1,093,183	24,419,907	3,181,464	5,244,363	12,693,465	*22,681
Loans from stockholders.....	8,665,045	884,583	370,307	4,167,704	627,650	992,077	1,622,724	*38,129
Mortgages, notes, and bonds payable in one year or more.....	74,088,806	6,504,857	2,676,862	24,028,831	10,404,522	9,048,608	21,425,127	*139,151
Other liabilities.....	34,854,403	1,934,906	1,173,711	13,061,773	1,972,242	8,004,968	8,706,802	*9,863
Capital stock.....	16,477,200	1,880,689	747,766	5,988,683	1,316,517	2,342,365	4,201,180	86,788
Paid-in or capital surplus.....	65,974,849	2,519,328	1,461,421	28,452,674	2,228,477	7,928,928	23,384,021	*46,102
Retained earnings, appropriated.....	415,750	12,524	*32,914	106,519	*58,348	*72,170	133,275	-
Retained earnings, unappropriated.....	54,105,781	3,183,225	4,603,063	16,332,627	5,953,676	10,938,211	13,094,979	59,727
Less: Cost of treasury stock.....	7,815,015	420,078	547,847	3,533,730	630,179	1,162,411	1,520,770	*148
Total receipts.....	427,380,838	19,061,249	19,084,288	180,371,006	41,760,804	44,128,682	142,974,508	340,185
Business receipts.....	395,964,226	17,298,762	18,098,022	147,013,050	37,932,086	40,069,981	135,552,325	264,150
Interest.....	5,586,363	284,816	354,056	2,317,925	504,344	754,076	1,371,146	11,007
Interest on Government obligations:								
State and local.....	448,437	5,937	19,450	273,734	*9,132	17,929	122,255	-
Rents.....	5,564,056	228,483	40,535	2,922,718	1,435,478	306,885	629,957	*9,120
Royalties.....	2,830,761	40,297	128,969	1,120,655	*23,294	1,196,648	320,899	*489
Net short-term capital gain reduced by net long-term capital loss.....	-163,440	*15,292	*2,622	-44,443	*17,613	25,027	-58,443	-
Net long-term capital gain reduced by net short-term capital loss.....	1,804,795	293,191	105,799	666,242	84,984	123,045	531,535	*14,969
Net gain, noncapital assets.....	1,942,896	45,657	19,224	634,862	991,704	74,371	177,078	*14,057
Dividends received from domestic corporations.....	268,580	17,185	26,791	109,173	3,359	42,683	69,390	*477
Dividends received from foreign corporations.....	673,894	66,304	*28,154	385,529	*4,924	176,607	12,377	-
Other receipts.....	12,113,189	765,326	240,667	4,882,674	753,989	1,341,429	4,129,104	*25,917
Total deductions.....	404,544,520	17,748,283	17,854,789	151,224,452	40,273,318	41,507,176	135,938,522	289,798
Cost of sales and operations.....	151,487,658	8,918,019	6,314,606	60,811,905	17,315,355	17,546,815	40,580,958	*60,050
Compensation of officers.....	19,595,997	202,417	962,559	7,636,351	1,662,048	1,890,658	7,241,964	*7,952
Repairs.....	3,564,918	209,339	238,889	899,054	840,526	342,230	1,034,879	*2,928
Bad debts.....	2,666,960	169,327	88,097	659,935	118,128	129,496	1,501,978	10,524
Rent paid on business property.....	14,022,250	453,058	852,520	5,030,762	1,661,148	1,373,972	4,650,790	*35,878
Taxes paid.....	14,292,599	793,760	846,915	5,304,853	1,441,177	1,090,085	4,815,808	6,743
Interest paid.....	10,109,185	806,164	524,706	3,302,621	1,505,414	1,225,367	2,744,913	*7,605
Contributions or gifts.....	307,910	10,525	20,549	148,462	20,987	36,219	71,168	*140
Amortization.....	2,155,399	43,960	93,580	754,579	75,842	725,817	461,622	*34
Depreciation.....	17,499,563	704,300	666,796	5,982,265	4,421,095	2,305,186	3,419,922	14,378
Depletion.....	13,708	158	3	*1,389	*3	*1,202	10,953	-
Advertising.....	4,839,101	309,306	431,545	1,888,342	493,890	786,900	929,118	*1,536
Pension, profit-sharing, stock bonus, and annuity plans.....	2,698,691	32,382	104,471	1,009,911	275,871	139,491	1,136,565	-
Employee benefit programs.....	7,710,990	272,907	236,548	2,831,344	577,691	243,098	3,549,400	*2,555
Net loss, noncapital assets.....	376,421	21,964	11,703	185,575	15,790	21,610	119,780	6
Other deductions.....	153,203,171	4,798,697	6,461,283	54,777,103	9,848,354	13,649,029	63,668,704	149,468
Total receipts less total deductions.....	22,816,117	1,314,966	1,209,519	9,146,554	1,487,586	2,621,506	7,035,986	40,387
Constructive taxable income from related foreign corporations.....	539,739	21,322	15,482	367,657	8,348	106,967	19,963	-
Net income.....	22,907,420	1,330,352	1,205,551	9,240,476	1,486,802	2,710,544	6,933,695	40,387
Income subject to tax.....	18,014,597	977,662	1,080,333	6,946,882	1,198,900	2,204,692	5,606,127	21,818
Income tax, total *.....	5,877,401	336,628	330,871	2,269,348	355,420	726,876	1,858,259	3,229
Regular tax.....	5,678,028	318,335	324,687	2,193,433	327,480	711,871	1,802,223	3,155
Personal holding company tax.....	*3,232	-	2,028	(*)	-	*165	*1,038	-
Recapture of investment credit.....	*146	-	-	-	-	-	*146	-
Alternative minimum tax.....	176,121	16,612	3,209	68,557	26,859	12,155	48,727	*74
Environmental tax.....	18,488	1,349	966	6,921	985	2,684	5,582	-
Foreign tax credit.....	554,954	*38,345	13,653	345,867	*626	129,628	26,835	-
U.S. possessions tax credit.....	11,230	4,699	-	3,121	-	269	3,140	318
Orphan drug credit.....	-	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	*240	-	-	-	-	26	*215	-
General business credit.....	107,075	7,205	4,655	48,188	16,645	7,436	22,947	-
Prior year minimum tax credit.....	99,545	*2,061	*2,469	31,297	40,193	4,762	18,762	-
Total income tax after credits.....	5,104,357	284,317	310,094	1,840,875	297,956	584,755	1,786,359	2,911

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

***Data deleted to avoid disclosure of information for specific corporation. Deleted data are included in the appropriate totals.

* Less than \$500 per return.

* Also includes branch tax (Form 1120F) and adjustments to income tax and to total tax which are not shown separately.

NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120S

Table 14--Balance Sheet and Income Statement, by Major Industry

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

Item	Major industry							
	All Industries	Agriculture, forestry, and fishing	Mining					Nonmetallic minerals, except fuels
			Total	Metal mining	Coal mining	Oil and gas extraction		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Number of returns, total.....	1,785,371	65,055	15,563	*701	813	11,902	2,147	
Total assets.....	808,090,676	23,264,119	11,980,729	*299,340	1,661,178	7,560,293	2,459,918	
Cash.....	77,366,319	1,853,823	1,278,617	*9,124	186,951	787,019	295,523	
Notes and accounts receivable.....	150,367,365	2,014,140	1,615,009	*67,255	261,499	955,400	330,855	
Less: Allowance for bad debts.....	2,584,173	5,864	23,488	-	*6,792	*752	15,942	
Inventories.....	153,561,103	1,992,292	322,510	*32	73,206	84,515	184,758	
Investments in Government obligations.....	5,252,913	26,663	293,636	-	*52,009	224,702	*16,925	
Tax-exempt securities.....	3,301,498	179,646	*68,072	-	*5,824	*62,206	*42	
Other current assets.....	44,285,834	615,895	479,576	*30,544	44,276	353,090	51,666	
Loans to stockholders.....	14,878,249	699,520	308,024	-	*10,049	255,832	40,143	
Mortgage and real estate loans.....	10,892,649	258,561	*3,297	*52	-	*57	*3,188	
Other investments.....	57,142,224	1,477,965	2,131,522	*10,142	134,933	1,747,649	238,798	
Depreciable assets.....	438,891,260	20,202,439	7,660,977	*241,084	1,665,180	3,407,896	2,346,817	
Less: Accumulated depreciation.....	228,414,154	12,385,351	4,669,853	*154,758	1,014,168	2,057,492	1,443,435	
Depletable assets.....	3,653,726	87,737	2,403,508	*31,236	*75,877	2,138,381	158,013	
Less: Accumulated depletion.....	1,317,919	*16,399	988,271	*6,534	*9,611	901,007	51,118	
Land.....	43,866,647	5,506,512	514,713	*45,379	56,044	170,163	243,126	
Intangible assets (amortizable).....	24,333,483	123,702	142,546	*6,752	*21,024	106,602	8,168	
Less: Accumulated amortization.....	11,244,952	60,208	45,034	*2,026	*1,670	38,531	2,807	
Other assets.....	23,858,606	693,045	467,366	*21,059	106,546	284,563	55,198	
Total liabilities.....	808,090,676	23,264,119	11,980,729	*299,340	1,661,178	7,560,293	2,459,918	
Accounts payable.....	104,178,988	1,068,410	1,111,534	*38,805	262,400	660,645	149,684	
Mortgages, notes, and bonds payable in less than one year.....	114,895,644	3,444,019	832,204	*60,942	252,723	352,251	166,288	
Other current liabilities.....	63,717,873	909,874	603,237	*4,599	77,753	400,071	120,814	
Loans from stockholders.....	91,894,951	5,497,276	1,634,425	*69,119	308,541	1,180,259	76,506	
Mortgages, notes, and bonds payable in one year or more.....	180,851,262	5,875,235	2,289,410	*20,527	327,731	1,356,729	584,423	
Other liabilities.....	26,208,730	901,166	701,919	*41,341	112,759	411,259	136,560	
Capital stock.....	42,268,498	3,691,127	663,701	*90,299	22,647	501,307	49,449	
Paid-in or capital surplus.....	79,593,542	5,182,843	3,390,422	*128,410	139,567	3,003,424	119,022	
Retained earnings, unappropriated.....	118,063,424	-2,601,481	1,068,021	*154,703	211,993	-127,341	1,136,072	
Less: Cost of treasury stock.....	13,582,237	704,349	312,146	-	*54,936	178,310	*78,900	
Total receipts.....	1,821,882,961	32,553,498	11,918,122	*238,584	4,202,507	5,182,343	2,294,688	
Business receipts.....	1,790,836,830	31,161,196	11,284,318	*226,607	4,155,646	4,699,061	2,203,004	
Interest on Government obligations:								
State and local.....	468,006	9,049	7,312	-	*1,468	5,065	*779	
Net gain, noncapital assets.....	3,759,769	247,791	100,767	*546	1,386	77,688	21,147	
Other receipts.....	26,818,357	1,135,462	525,726	*11,431	44,008	400,529	69,758	
Total deductions.....	1,775,218,647	32,315,088	11,317,282	*229,198	4,254,186	4,664,514	2,169,383	
Cost of sales and operations.....	1,176,459,501	17,740,170	5,332,552	*53,909	2,322,910	1,742,051	1,213,683	
Compensation of officers.....	75,648,363	880,532	331,352	*6,674	50,329	174,066	100,283	
Repairs.....	10,394,975	732,324	221,464	*18,016	100,425	62,638	40,386	
Bad debts.....	4,978,236	67,891	114,339	*1,826	*47,983	49,843	14,686	
Rent paid on business property.....	37,335,923	1,042,217	106,828	*4,768	36,378	55,114	10,567	
Taxes paid.....	39,656,425	701,804	475,090	*12,379	186,272	194,577	81,862	
Interest paid.....	20,951,115	824,043	293,985	*3,656	81,870	143,677	64,781	
Amortization.....	3,504,061	43,427	18,631	*783	4,062	12,825	960	
Depreciation.....	31,426,221	1,415,390	681,301	*19,660	212,460	274,572	174,610	
Depletion.....	261,100	*9,813	159,217	*1,302	95,520	15,133	47,262	
Advertising.....	18,252,436	133,712	8,871	*103	1,653	3,599	3,515	
Pension, profit-sharing, stock bonus, and annuity plans.....	5,851,011	45,851	33,849	-	8,302	8,826	16,721	
Employee benefit programs.....	14,028,365	226,534	298,211	*8,756	216,258	29,243	43,954	
Net loss, noncapital assets.....	357,874	4,888	2,538	*288	*440	*1,501	*309	
Other deductions.....	336,113,042	8,446,493	3,239,053	*97,077	889,325	1,896,848	355,803	
Total receipts less total deductions.....	46,664,314	238,410	600,840	*9,386	-51,679	517,829	125,305	
Net income (less deficit), total.....	46,196,308	229,361	593,529	*9,386	-53,147	512,764	124,526	
Income subject to tax.....	175,520	*10,113	*8,742	-	-	*4,002	*4,740	
Income tax, total ²	88,586	*2,700	*2,899	-	-	*1,093	*1,806	

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120S

Table 14—Balance Sheet and Income Statement, by Major Industry—Continued

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

Item	Major industry—Continued								
	Construction				Manufacturing				
	Total	General building contractors and operative builders	Heavy construction contractors	Special trade contractors	Total	Food and kindred product	Tobacco manufactures	Textile mill products	Apparel and other textile products
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Number of returns, total.....	178,761	70,877	6,840	101,044	117,812	8,046	-	2,409	7,598
Total assets.....	67,362,355	34,584,872	9,867,073	22,910,409	151,922,987	17,230,057	-	7,334,236	10,165,737
Cash.....	9,425,000	4,093,008	1,654,663	3,877,328	12,968,093	1,208,783	-	558,624	730,551
Notes and accounts receivable.....	18,601,015	7,626,767	2,713,845	8,257,403	37,142,827	3,448,607	-	1,716,876	2,793,034
Less: Allowance for bad debts.....	92,662	31,284	10,344	51,033	749,243	84,978	-	39,912	88,647
Inventories.....	10,952,900	8,722,652	317,755	1,912,193	34,692,415	3,615,078	-	1,953,905	3,728,534
Investments in Government obligations.....	378,695	125,650	143,815	109,230	1,162,410	145,622	-	*70,140	*62,492
Tax-exempt securities.....	295,013	107,691	59,969	127,353	870,579	72,916	-	*87,058	*61,051
Other current assets.....	7,037,673	4,272,830	969,000	1,795,843	6,321,102	584,289	-	307,114	703,316
Loans to stockholders.....	1,356,204	629,494	123,431	603,368	1,429,553	161,532	-	29,856	95,746
Mortgage and real estate loans.....	618,276	455,179	64,437	98,660	298,758	*18,873	-	-	*22,554
Other investments.....	4,079,846	2,363,370	717,064	999,512	8,011,753	1,007,198	-	277,110	381,383
Depreciable assets.....	30,520,071	8,012,619	8,269,429	14,238,022	95,855,556	12,773,840	-	4,493,208	3,183,944
Less: Accumulated depreciation.....	19,753,688	4,303,474	5,677,630	9,772,584	54,946,523	6,903,159	-	2,355,278	1,780,151
Depletable assets.....	107,794	*15,155	86,591	*6,048	527,963	*1,913	-	*19,704	-
Less: Accumulated depletion.....	43,667	*2,368	36,511	*4,789	92,931	-	-	*9,380	-
Land.....	2,188,182	1,511,590	250,069	426,523	2,831,975	472,469	-	78,514	55,975
Intangible assets (amortizable).....	277,357	91,302	33,449	152,606	4,332,649	592,635	-	59,928	181,421
Less: Accumulated amortization.....	142,202	34,612	14,657	92,934	1,814,932	197,924	-	32,647	73,706
Other assets.....	1,556,660	929,300	199,700	427,660	3,080,983	314,364	-	121,417	118,239
Total liabilities.....	67,362,355	34,584,872	9,867,073	22,910,409	151,922,987	17,230,057	-	7,334,236	10,165,737
Accounts payable.....	12,427,536	6,732,415	1,495,572	4,199,550	21,050,052	2,337,578	-	1,143,498	1,696,459
Mortgages, notes, and bonds payable in less than one year.....	9,533,446	6,470,236	776,220	2,286,990	16,435,051	1,932,048	-	704,714	1,397,358
Other current liabilities.....	8,211,413	4,212,886	963,072	3,035,455	11,722,456	1,007,908	-	371,092	768,774
Loans from stockholders.....	5,177,371	3,181,149	424,237	1,571,985	9,218,431	1,156,692	-	356,204	850,005
Mortgages, notes, and bonds payable in one year or more.....	8,278,683	4,596,792	1,255,311	2,426,580	24,152,677	3,217,016	-	1,311,247	1,055,823
Other liabilities.....	2,177,724	1,386,142	212,920	578,662	3,884,517	290,224	-	164,539	168,033
Capital stock.....	2,009,477	692,575	317,862	999,039	5,250,701	599,938	-	189,380	195,724
Paid-in or capital surplus.....	3,330,175	1,927,230	367,762	1,035,182	7,821,057	864,505	-	353,286	528,002
Retained earnings, unappropriated.....	17,065,676	5,612,565	4,234,427	7,218,684	55,676,739	6,188,412	-	2,855,238	3,768,849
Less: Cost of treasury stock.....	849,145	227,117	180,310	441,718	3,288,716	364,264	-	114,963	263,292
Total receipts.....	167,362,892	73,503,802	20,585,302	73,273,788	326,547,950	47,464,017	-	15,123,912	26,540,539
Business receipts.....	165,517,879	72,770,354	20,112,067	72,635,458	322,936,551	46,936,322	-	14,999,375	26,134,098
Interest on Government obligations:									
State and local.....	90,802	15,307	16,819	58,676	91,673	7,779	-	3,108	4,132
Net gain, noncapital assets.....	308,763	41,334	143,800	123,629	489,216	50,949	-	5,746	26,191
Other receipts.....	1,445,447	676,807	312,614	456,026	3,030,511	468,967	-	115,683	376,118
Total deductions.....	163,022,641	71,959,966	19,931,410	71,131,265	311,560,848	45,586,723	-	14,336,851	25,495,716
Cost of sales and operations.....	125,905,074	61,121,465	15,570,285	49,213,324	223,229,862	35,901,295	-	11,357,893	18,815,837
Compensation of officers.....	6,352,243	2,089,320	624,137	3,638,786	11,940,189	707,056	-	421,059	1,072,589
Repairs.....	763,279	143,957	200,413	418,909	1,328,170	213,585	-	65,024	65,719
Bad debts.....	328,729	131,350	34,880	180,499	859,316	60,458	-	38,536	80,853
Rent paid on business property.....	1,400,676	338,967	144,320	917,389	3,238,280	261,521	-	106,798	359,242
Taxes paid.....	3,564,302	968,628	434,835	2,160,838	8,886,155	707,328	-	263,896	527,220
Interest paid.....	1,299,635	626,769	187,548	485,317	3,679,026	416,004	-	185,152	307,264
Amortization.....	51,078	12,641	4,296	34,141	533,983	60,776	-	10,292	21,655
Depreciation.....	2,568,342	523,066	712,015	1,333,262	7,219,182	895,708	-	359,967	246,924
Depletion.....	10,769	*1,398	9,265	*107	52,619	153	-	-	-
Advertising.....	475,945	197,997	18,165	259,784	3,121,763	761,930	-	40,255	321,596
Pension, profit-sharing, stock bonus, and annuity plans.....	730,514	185,932	95,749	448,833	1,359,881	130,046	-	44,118	81,840
Employee benefit programs.....	1,194,273	257,375	143,603	793,296	4,030,109	407,544	-	180,076	223,846
Net loss, noncapital assets.....	22,567	13,130	2,399	7,039	32,023	1,373	-	*921	*374
Other deductions.....	18,357,214	5,347,972	1,749,500	11,259,742	44,050,290	5,061,946	-	1,262,865	3,370,756
Total receipts less total deductions.....	4,340,251	1,543,836	653,892	2,142,523	14,987,103	1,877,294	-	787,061	1,044,823
Net income (less deficit), total.....	4,249,449	1,528,529	637,072	2,083,848	14,895,430	1,869,514	-	783,953	1,040,691
Income subject to tax.....	8,611	4,088	*1,687	2,836	41,644	17,319	-	*476	*544
Income tax, total.....	3,851	2,110	716	1,025	23,851	7,229	-	*205	*718

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120S

Table 14—Balance Sheet and Income Statement, by Major Industry—Continued

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

Item	Major industry—Continued								
	Manufacturing—Continued								
	Lumber and wood products	Furniture and fixtures	Paper and allied products	Printing and publishing	Chemical and allied products	Petroleum (including integrated) and coal products	Rubber and miscellaneous plastics products	Leather and leather products	Stone, clay, and glass products
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
Number of returns, total.....	7,681	2,419	1,413	22,924	3,979	1,122	4,295	954	4,529
Total assets.....	7,360,498	3,105,099	5,255,561	17,004,791	7,050,334	1,582,557	9,626,756	1,264,467	4,863,191
Cash.....	650,674	274,841	276,076	1,898,498	640,713	203,976	631,015	130,213	493,806
Notes and accounts receivable.....	1,292,349	953,336	1,229,484	4,234,516	1,828,124	293,564	2,254,503	379,466	990,846
Less: Allowance for bad debts.....	26,520	12,203	18,381	110,020	43,403	*1,068	36,909	6,407	21,494
Inventories.....	1,877,046	820,872	1,004,228	1,553,709	1,514,681	243,045	1,786,746	459,994	725,457
Investments in Government obligations.....	68,098	*5,681	*6,900	142,463	*6,180	*11,174	*59,647	-	*74,930
Tax-exempt securities.....	*3,109	*7,456	*151,173	123,187	*15,100	-	*54,632	-	*2,564
Other current assets.....	368,056	104,048	201,826	856,685	211,637	75,766	344,097	36,402	175,910
Loans to stockholders.....	31,275	21,397	49,475	320,149	41,280	*71,433	90,389	-	48,632
Mortgage and real estate loans.....	*32,177	*12,445	*11,693	67,310	*29,202	*4,795	*9,516	-	*6,151
Other investments.....	347,138	139,722	371,642	908,779	406,302	*29,671	879,524	93,190	309,561
Depreciable assets.....	5,122,065	1,648,684	3,690,252	12,740,061	4,285,620	1,203,210	7,033,670	299,174	4,249,460
Less: Accumulated depreciation.....	3,142,512	1,005,058	1,983,523	7,226,838	2,284,232	718,894	3,854,876	182,804	2,608,317
Depletable assets.....	273,241	-	35,983	*16,830	2,318	*77,599	-	*474	95,377
Less: Accumulated depletion.....	*14,978	-	-	*14,673	883	*20,830	-	*65	28,818
Land.....	215,866	55,180	59,923	309,542	157,079	*75,312	132,889	7,488	189,516
Intangible assets (amortizable).....	60,978	26,369	69,052	1,422,841	184,479	10,543	145,579	*43,733	150,461
Less: Accumulated amortization.....	30,174	15,387	14,641	596,522	71,086	6,284	89,852	*23,319	99,790
Other assets.....	232,609	67,719	114,400	558,274	127,224	29,545	186,186	26,928	108,939
Total liabilities.....	7,360,498	3,105,099	5,255,561	17,004,791	7,050,334	1,582,557	9,626,756	1,264,467	4,863,191
Accounts payable.....	847,517	477,943	682,464	2,128,137	1,019,812	209,986	1,238,116	247,732	528,025
Mortgages, notes, and bonds payable in less than one year.....	945,443	362,607	448,043	1,586,324	740,500	*41,062	1,099,014	171,727	594,783
Other current liabilities.....	602,537	265,792	298,823	1,973,967	420,054	91,899	636,705	68,977	251,713
Loans from stockholders.....	778,570	168,166	67,890	1,084,809	334,272	*69,192	409,702	*125,169	169,918
Mortgages, notes, and bonds payable in one year or more.....	887,386	330,781	689,951	4,054,766	1,001,673	250,956	1,926,157	96,966	946,017
Other liabilities.....	128,383	31,936	78,098	1,008,197	167,187	*18,796	162,922	*5,848	80,204
Capital stock.....	355,776	163,262	93,377	558,604	296,039	32,127	318,824	66,319	133,826
Paid-in or capital surplus.....	656,347	45,523	228,497	850,353	341,110	184,248	329,571	*36,135	326,420
Retained earnings, unappropriated.....	2,248,550	1,300,816	2,763,993	4,251,841	2,947,586	700,234	3,647,501	495,836	1,917,996
Less: Cost of treasury stock.....	90,009	41,726	95,575	492,206	217,899	*15,942	141,756	*50,242	85,712
Total receipts.....	15,963,550	7,224,461	10,026,123	33,009,718	14,211,918	2,354,898	17,686,982	2,970,281	8,520,085
Business receipts.....	15,732,980	7,153,731	9,932,435	32,584,359	14,091,048	2,311,990	17,558,312	2,941,425	8,427,563
Interest on Government obligations:									
State and local.....	2,143	*1,753	12,925	10,914	2,680	*1,205	7,372	*379	1,163
Net gain, noncapital assets.....	32,311	7,712	4,705	61,659	10,993	*472	20,539	*154	8,381
Other receipts.....	196,116	61,285	76,058	352,785	107,197	41,231	100,759	28,323	82,979
Total deductions.....	15,244,793	6,938,342	9,464,510	31,744,954	13,279,091	2,274,700	16,608,345	2,815,918	8,124,453
Cost of sales and operations.....	11,661,634	5,049,306	7,146,123	17,360,478	8,814,335	1,760,189	11,997,351	2,088,764	5,557,806
Compensation of officers.....	503,268	216,757	318,153	1,721,084	600,577	23,175	618,694	168,667	302,566
Repairs.....	125,398	19,236	36,327	168,564	80,330	10,966	68,502	3,647	64,496
Bad debts.....	29,889	18,957	17,826	174,649	45,744	*4,366	55,572	11,721	31,541
Rent paid on business property.....	112,959	95,106	68,670	582,130	131,913	11,396	136,982	31,346	110,396
Taxes paid.....	343,172	167,552	187,350	935,761	238,579	32,050	433,626	49,048	206,436
Interest paid.....	158,498	60,976	85,512	515,143	143,762	18,947	261,137	23,159	126,786
Amortization.....	13,978	5,085	10,250	122,000	28,661	2,740	28,082	6,960	22,415
Depreciation.....	375,093	115,753	255,823	1,029,714	313,737	88,337	556,069	23,357	314,538
Depletion.....	*31,285	-	-	*4,662	3,579	-	-	-	12,694
Advertising.....	60,396	65,145	41,610	370,208	276,977	9,768	111,287	34,617	45,671
Pension, profit-sharing, stock bonus, and annuity plans.....	48,035	34,074	47,070	191,920	75,073	*5,139	73,022	8,436	39,566
Employee benefit programs.....	141,864	125,524	126,567	513,871	136,798	9,528	258,701	30,759	109,847
Net loss, noncapital assets.....	*2,872	*51	*715	7,436	*176	*2,512	504	-	*721
Other deductions.....	1,636,452	964,820	1,122,513	8,047,337	2,388,852	295,588	2,008,816	335,436	1,178,975
Total receipts less total deductions.....	718,757	286,119	561,614	1,264,764	932,827	80,198	1,078,636	154,363	395,632
Net income (less deficit), total.....	716,613	284,366	548,689	1,253,850	930,147	78,993	1,071,264	153,984	394,469
Income subject to tax.....	*2,557	*115	*1,412	*1,147	*927	-	*875	-	*1,706
Income tax, total ²	*1,542	*208	*1,042	*569	*1,165	-	2,011	-	*622

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120S

Table 14—Balance Sheet and Income Statement, by Major Industry—Continued

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

Item	Major industry—Continued							
	Manufacturing—Continued							
	Primary metal industries	Fabricated metal products	Machinery, except electrical	Electrical and electronic equipment	Motor vehicles and equipment	Transportation equipment, except motor vehicles	Instruments and related products	Miscellaneous manufacturing and manufacturing not allocable
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
Number of returns, total.....	870	16,905	7,803	7,946	1,054	2,143	2,903	10,820
Total assets.....	4,154,396	19,736,735	10,496,763	9,215,882	3,082,913	2,608,753	3,282,493	7,501,766
Cash.....	304,251	1,880,568	990,367	797,435	204,471	240,261	430,200	624,770
Notes and accounts receivable.....	1,184,304	5,127,207	2,765,160	2,495,848	759,642	529,745	828,725	2,037,491
Less: Allowance for bad debts.....	13,913	75,723	35,717	51,561	8,834	8,624	22,584	42,346
Inventories.....	872,577	4,316,089	2,977,756	2,529,875	1,065,508	695,560	869,617	2,082,139
Investments in Government obligations.....	*24,232	*163,364	120,262	94,454	37,714	*8,178	*27,637	*33,240
Tax-exempt securities.....	*6,199	128,703	*16,503	*91,022	*26,080	3,332	*18,266	*2,228
Other current assets.....	124,278	603,437	416,516	440,283	167,102	160,572	104,537	335,234
Loans to stockholders.....	25,559	140,816	83,780	82,778	13,230	*15,731	30,938	75,555
Mortgage and real estate loans.....	*7,505	38,967	*8,194	*10,764	*2,825	*13,455	*2,140	*2,193
Other investments.....	240,533	979,973	501,877	403,015	153,577	121,865	197,874	261,819
Depreciable assets.....	2,956,349	13,968,301	5,787,211	4,421,089	1,374,130	1,414,330	1,409,132	3,801,826
Less: Accumulated depreciation.....	1,748,557	8,425,102	3,582,298	2,579,410	820,090	812,649	810,987	2,111,788
Depletable assets.....	*613	*1,114	-	*2,098	-	*623	*75	-
Less: Accumulated depletion.....	*518	*564	-	*1,626	-	*588	*8	-
Land.....	78,092	353,436	150,725	192,827	42,306	42,654	59,458	102,724
Intangible assets (amortizable).....	90,611	407,679	250,880	215,149	14,560	29,018	116,606	260,127
Less: Accumulated amortization.....	51,551	163,914	99,419	81,574	4,473	12,546	39,049	111,073
Other assets.....	53,832	292,384	144,965	153,415	55,165	167,837	59,916	147,627
Total liabilities.....	4,154,396	19,736,735	10,496,763	9,215,882	3,082,913	2,608,753	3,282,493	7,501,766
Accounts payable.....	716,057	2,714,649	1,472,074	1,279,134	480,124	432,269	351,293	1,047,185
Mortgages, notes, and bonds payable in less than one year.....	386,187	2,190,256	1,129,107	941,536	389,043	232,833	266,987	875,499
Other current liabilities.....	248,754	1,368,875	977,519	982,336	247,977	325,682	318,648	494,424
Loans from stockholders.....	91,825	1,164,806	701,239	643,887	104,436	167,566	195,798	578,286
Mortgages, notes, and bonds payable in one year or more.....	661,236	3,133,755	1,022,656	1,119,633	373,558	451,677	459,612	1,161,811
Other liabilities.....	75,234	369,763	465,525	274,636	45,467	182,662	32,396	134,470
Capital stock.....	133,339	605,583	340,246	506,426	25,324	124,797	131,654	380,137
Paid-in or capital surplus.....	190,274	724,363	518,314	498,319	196,824	299,758	142,344	506,865
Retained earnings, unappropriated.....	1,785,640	7,826,996	4,122,299	3,237,705	1,244,973	423,740	1,457,003	2,491,530
Less: Cost of treasury stock.....	134,151	362,312	252,214	267,729	*24,812	*32,230	73,241	168,441
Total receipts.....	9,263,414	38,900,474	19,420,750	18,553,729	7,399,992	5,333,362	6,285,353	20,294,392
Business receipts.....	9,151,242	38,517,310	19,158,895	18,388,330	7,350,547	5,271,840	6,207,861	20,086,888
Interest on Government obligations:								
State and local.....	1,944	9,458	7,525	6,048	*4,095	*891	3,538	2,619
Net gain, noncapital assets.....	40,186	51,566	50,290	11,768	3,095	3,308	21,606	77,586
Other receipts.....	70,042	322,140	204,040	147,583	42,255	57,323	52,348	127,299
Total deductions.....	8,905,576	37,100,684	18,312,881	17,684,370	7,072,301	5,247,751	5,849,887	19,473,002
Cost of sales and operations.....	7,350,133	26,946,187	12,513,609	11,599,749	5,685,885	3,839,297	3,365,388	14,418,602
Compensation of officers.....	282,808	1,799,867	789,437	925,536	189,657	182,572	389,799	706,869
Repairs.....	20,151	148,602	59,603	46,716	23,728	41,068	17,351	49,157
Bad debts.....	8,416	85,927	65,028	52,377	12,973	4,175	15,463	44,845
Rent paid on business property.....	40,522	367,864	172,153	206,547	50,883	66,000	110,774	215,079
Taxes paid.....	142,952	924,520	482,290	442,337	149,937	137,433	150,005	364,663
Interest paid.....	91,733	480,205	227,665	188,191	54,073	53,179	74,734	206,909
Amortization.....	7,721	55,421	42,841	34,490	4,589	17,740	11,865	26,423
Depreciation.....	203,885	989,103	425,379	400,259	109,032	115,326	118,676	282,500
Depletion.....	*44	*78	-	125	-	-	-	-
Advertising.....	14,865	178,254	176,154	231,869	35,360	22,959	108,328	214,514
Pension, profit-sharing, stock bonus, and annuity plans.....	39,112	196,256	103,818	80,520	25,675	17,508	42,030	76,620
Employee benefit programs.....	106,687	584,594	386,618	257,270	88,295	69,031	88,055	184,633
Net loss, noncapital assets.....	*1,232	2,128	*281	*5,703	*351	*1,356	*1,071	*2,247
Other deductions.....	595,316	4,341,676	2,868,005	3,212,682	641,862	680,105	1,356,350	2,679,940
Total receipts less total deductions.....	357,838	1,799,791	1,107,869	869,359	327,691	85,611	435,465	821,390
Net income (less deficit), total.....	355,895	1,790,333	1,100,344	863,311	323,596	84,719	431,927	818,771
Income subject to tax.....	*2,106	1,557	*7,675	*2,068	*499	177	*493	*41
Income tax, total ²	1,215	1,528	3,882	*1,352	*153	*84	*223	*104

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120S

Table 14--Balance Sheet and Income Statement, by Major Industry--Continued

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

Item	Major industry--Continued								
	Transportation and public utilities				Wholesale and retail trade				
	Total	Transportation	Communication	Electric, gas, and sanitary services	Total	Wholesale trade			
						Total	Groceries and related products	Machinery, equipment, and supplies	Miscellaneous wholesale trade
(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	
Number of returns, total.....	74,886	59,425	9,803	5,658	467,234	123,412	11,063	17,241	95,108
Total assets.....	37,327,173	24,063,892	8,665,133	4,598,148	251,051,668	111,764,502	8,401,544	12,655,273	90,707,686
Cash.....	3,441,283	2,213,290	824,407	603,565	23,181,482	9,905,208	817,841	1,027,083	8,060,283
Notes and accounts receivable.....	6,810,045	4,493,014	1,322,602	994,429	52,323,025	35,186,160	2,853,330	3,688,753	28,644,077
Less: Allowance for bad debts.....	96,580	43,829	45,002	7,749	862,451	565,816	36,383	59,418	470,015
Inventories.....	767,658	607,872	90,841	68,943	91,285,735	35,690,857	1,979,284	4,628,499	29,083,074
Investments in Government obligations.....	132,807	*42,724	*59,061	*31,021	799,327	543,795	*5,085	*117,928	420,782
Tax-exempt securities.....	136,268	63,535	*34,772	*37,961	585,785	367,075	*85,183	*18,392	263,500
Other current assets.....	2,363,309	1,550,411	665,427	147,471	8,707,382	4,330,808	332,992	287,183	3,710,633
Loans to stockholders.....	696,793	443,058	161,457	92,277	3,396,197	1,394,225	80,538	103,269	1,210,418
Mortgage and real estate loans.....	154,984	120,030	*2,217	*32,737	809,129	361,060	*2,958	32,670	325,432
Other investments.....	2,252,006	1,210,799	587,986	453,221	9,527,122	5,414,096	325,467	541,007	4,547,601
Depreciable assets.....	34,452,652	25,188,372	5,470,728	3,793,552	100,368,483	33,963,494	3,113,808	4,243,774	26,605,912
Less: Accumulated depreciation.....	18,748,587	13,555,287	2,988,964	2,204,336	54,912,589	19,583,808	1,724,434	2,351,405	15,507,970
Depletable assets.....	51,387	*50,339	-	*1,047	108,333	89,273	-	*1,697	87,576
Less: Accumulated depletion.....	*13,354	*13,239	-	*115	74,369	*64,220	-	*1,209	*63,011
Land.....	850,883	562,039	158,278	130,565	6,315,336	1,880,368	139,162	171,464	1,569,741
Intangible assets (amortizable).....	3,504,805	699,673	2,569,609	235,523	7,157,083	2,020,390	351,987	154,851	1,513,552
Less: Accumulated amortization.....	1,383,542	307,312	950,402	125,828	3,189,652	929,047	110,021	73,984	745,042
Other assets.....	1,954,381	738,402	902,116	313,863	5,526,311	1,760,586	184,725	124,719	1,451,142
Total liabilities.....	37,327,173	24,063,892	8,665,133	4,598,148	251,051,668	111,764,502	8,401,544	12,655,273	90,707,686
Accounts payable.....	4,378,591	3,023,701	657,838	697,053	46,490,683	27,239,467	2,250,409	2,954,441	22,034,618
Mortgages, notes, and bonds payable in less than one year.....	4,178,821	2,767,201	880,094	531,526	50,562,841	17,020,372	1,134,105	1,814,939	14,071,328
Other current liabilities.....	3,121,608	1,992,664	774,869	354,075	16,355,248	6,829,279	406,754	771,968	5,650,557
Loans from stockholders.....	4,792,285	2,970,327	1,535,761	286,197	23,530,321	7,468,287	544,839	971,217	5,952,231
Mortgages, notes, and bonds payable in one year or more.....	12,739,892	7,237,986	4,346,873	1,155,034	37,220,855	11,603,896	971,802	1,591,927	9,040,167
Other liabilities.....	2,239,069	774,848	945,212	519,009	3,393,350	1,634,900	56,852	156,363	1,421,886
Capital stock.....	1,845,330	1,193,526	539,782	112,022	11,846,949	3,454,626	244,318	375,333	2,834,976
Paid-in or capital surplus.....	4,750,008	3,716,336	678,895	354,778	16,120,798	4,658,185	238,826	506,202	3,913,157
Retained earnings, unappropriated.....	-82,195	803,606	-1,515,642	629,841	50,156,294	34,332,566	2,766,756	3,806,919	27,758,891
Less: Cost of treasury stock.....	636,236	416,303	178,548	*41,366	4,625,671	2,477,076	213,116	294,037	1,969,923
Total receipts.....	70,076,118	55,148,298	8,151,244	6,776,576	889,290,904	379,239,555	45,017,461	30,605,146	303,616,947
Business receipts.....	68,474,646	54,102,397	7,750,618	6,621,631	879,109,437	375,747,708	44,735,034	29,903,584	301,109,089
Interest on Government obligations:									
State and local.....	23,488	15,077	4,620	*3,791	80,384	53,249	3,845	6,085	43,319
Net gain, noncapital assets.....	469,012	274,022	153,279	41,711	761,380	262,123	15,035	58,789	188,298
Other receipts.....	1,108,972	756,802	242,727	109,442	9,339,703	3,176,476	263,547	636,688	2,276,241
Total deductions.....	68,948,479	54,317,131	8,263,377	6,367,972	876,637,640	371,983,032	44,453,647	29,862,070	297,667,316
Cost of sales and operations.....	32,292,916	26,641,562	2,199,910	3,451,444	674,243,693	301,734,133	38,058,221	22,131,459	241,544,453
Compensation of officers.....	2,066,678	1,453,071	374,300	239,308	20,785,810	10,117,807	910,195	1,041,440	8,168,171
Repairs.....	1,108,116	911,097	75,374	121,645	3,637,808	1,045,404	138,412	101,358	805,634
Bad debts.....	279,903	162,436	93,500	23,967	1,941,260	1,099,942	95,859	113,404	890,679
Rent paid on business property.....	2,240,495	1,959,045	182,331	99,118	16,856,345	3,633,425	323,940	341,001	2,968,483
Taxes paid.....	2,322,498	1,788,432	267,661	266,405	13,750,546	4,872,514	361,470	418,582	4,092,462
Interest paid.....	1,442,032	792,046	521,917	128,069	6,667,894	2,542,371	174,362	279,610	2,088,399
Amortization.....	405,867	99,775	275,163	30,929	963,820	286,548	40,440	30,360	215,748
Depreciation.....	3,258,509	2,417,573	502,781	338,155	7,807,153	2,649,629	272,868	355,497	2,021,264
Depletion.....	*26	*26	-	-	5,408	*1,123	-	*52	*1,070
Advertising.....	406,103	241,377	148,754	15,972	9,961,101	1,886,385	188,454	146,770	1,551,162
Pension, profit-sharing, stock bonus, and annuity plans.....	210,746	156,166	26,861	27,720	1,430,298	888,009	66,571	110,861	710,577
Employee benefit programs.....	837,443	692,461	67,702	77,280	3,884,848	1,493,452	122,687	196,664	1,174,100
Net loss, noncapital assets.....	15,876	5,798	8,720	*1,358	127,636	27,733	*609	252	26,873
Other deductions.....	22,061,271	16,996,266	3,518,404	1,546,601	114,574,021	39,704,559	3,699,559	4,594,759	31,410,241
Total receipts less total deductions.....	1,127,639	831,168	-112,133	408,604	12,653,264	7,256,523	563,815	743,078	5,949,631
Net income (less deficit), total.....	1,104,151	816,091	-116,753	404,813	12,572,880	7,203,273	559,970	736,992	5,906,312
Income subject to tax.....	15,298	6,265	*9,031	-	37,435	13,992	*385	*1,061	12,547
Income tax, total ?.....	5,224	2,233	*2,410	*581	28,818	15,539	*160	1,970	13,408

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120S

Table 14—Balance Sheet and Income Statement, by Major Industry—Continued

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

Item	Major industry—Continued									
	Wholesale and retail trade—continued									
	Retail trade									Wholesale and retail trade not allocable
	Total	Building materials, garden supplies and mobile home dealers	General merchandise stores	Food stores	Automotive dealers and service stations	Apparel and accessory stores	Furniture and home furnishing stores	Eating and drinking places	Miscellaneous retail stores	
(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	
Number of returns, total.....	342,516	17,670	3,587	34,256	45,451	17,825	16,057	100,700	106,969	1,306
Total assets.....	138,731,769	9,106,343	3,172,822	12,252,336	52,870,905	4,709,245	7,408,783	20,109,445	29,101,891	555,396
Cash.....	13,187,495	683,749	311,165	1,402,795	3,838,460	512,008	750,843	2,325,289	3,363,186	88,778
Notes and accounts receivable.....	17,006,212	1,916,685	328,826	715,112	6,356,252	410,108	1,570,009	699,021	5,010,200	130,653
Less: Allowance for bad debts.....	295,443	32,416	*4,138	3,502	94,805	16,656	32,333	1,331	110,262	*1,192
Inventories.....	55,444,997	3,541,194	1,511,229	3,096,709	29,768,258	2,401,576	2,842,180	981,548	11,302,303	149,881
Investments in Government obligations.....	255,531	*35,281	*33,094	*11,290	*56,071	*5,858	*51,059	*21,619	41,258	-
Tax-exempt securities.....	218,710	*12,587	-	*15,282	*50,122	2,763	*38,932	*11,513	87,511	-
Other current assets.....	4,368,623	215,309	88,630	535,611	1,330,917	238,848	234,694	653,704	1,070,910	7,951
Loans to stockholders.....	1,993,346	137,130	21,830	152,424	666,343	54,513	77,806	581,725	301,574	*8,627
Mortgage and real estate loans.....	440,871	115,290	*2,633	*39,518	86,055	*42,784	*16,114	99,340	39,137	*7,197
Other investments.....	4,109,898	406,181	111,244	440,199	1,030,805	91,724	194,676	789,030	1,046,140	*3,028
Depreciable assets.....	66,152,743	3,561,617	1,217,172	9,390,283	14,252,156	1,784,322	2,680,661	21,448,146	11,818,388	252,246
Less: Accumulated depreciation.....	35,206,406	2,037,836	707,583	4,894,902	7,344,605	960,026	1,319,511	11,078,027	6,665,917	122,375
Depletable assets.....	19,060	*5,558	-	*8,196	*1,919	*158	-	*3,224	*5	-
Less: Accumulated depletion.....	*10,149	*4,123	-	*1,626	*1,069	*103	-	*3,224	*4	-
Land.....	4,423,561	350,684	92,848	576,033	1,520,763	24,690	151,834	1,202,864	503,844	*11,408
Intangible assets (amortizable).....	5,115,939	101,821	184,123	549,090	807,594	59,036	85,080	2,101,522	1,227,671	*20,754
Less: Accumulated amortization.....	2,254,946	35,117	87,215	239,631	392,719	27,147	22,622	856,218	594,276	*5,659
Other assets.....	3,761,625	132,749	68,964	459,454	938,386	84,789	89,360	1,127,699	860,225	*4,100
Total liabilities.....	138,731,769	9,106,343	3,172,822	12,252,336	52,870,905	4,709,245	7,408,783	20,109,445	29,101,891	555,396
Accounts payable.....	19,106,591	1,430,542	654,101	2,288,394	4,180,134	925,171	1,320,645	2,038,081	6,269,522	144,625
Mortgages, notes, and bonds payable in less than one year.....	33,429,972	1,076,345	227,968	1,141,595	25,291,877	431,384	609,797	1,398,777	3,252,229	112,498
Other current liabilities.....	9,501,051	464,602	165,022	892,040	2,982,835	358,563	814,734	1,743,222	2,080,028	24,917
Loans from stockholders.....	16,008,975	806,388	159,393	1,334,187	4,162,876	751,563	568,907	3,967,934	4,257,726	*53,059
Mortgages, notes, and bonds payable in one year or more.....	25,563,307	1,579,893	577,741	2,972,684	6,914,933	741,890	1,164,125	7,387,984	4,224,058	*53,651
Other liabilities.....	1,758,370	112,471	36,130	174,366	436,693	50,021	152,858	398,424	397,407	*80
Capital stock.....	8,369,038	450,302	141,993	598,078	2,818,073	225,181	533,335	1,921,827	1,680,250	23,285
Paid-in or capital surplus.....	11,408,578	456,485	436,443	468,723	3,630,250	562,412	738,552	2,949,055	2,166,658	54,035
Retained earnings, unappropriated.....	15,734,482	2,860,543	816,936	2,613,435	3,127,665	704,261	1,720,385	-1,335,477	5,226,734	89,246
Less: Cost of treasury stock.....	2,148,595	131,230	*42,903	231,165	674,431	41,202	214,555	360,388	452,721	-
Total receipts.....	508,493,634	24,601,472	8,610,863	65,801,831	233,632,552	12,232,255	17,199,561	62,982,886	83,432,215	1,557,715
Business receipts.....	501,863,746	24,351,839	8,540,327	65,160,965	230,393,776	12,066,006	16,839,508	62,119,658	82,391,666	1,497,984
Interest on Government obligations:										
State and local.....	26,726	*643	*218	6,754	3,742	*246	3,916	1,494	9,713	*409
Net gain, noncapital assets.....	499,130	49,781	276	32,932	117,068	*955	20,807	201,313	75,998	*128
Other receipts.....	6,104,032	199,209	70,043	601,180	3,117,965	165,047	335,329	660,421	954,838	59,195
Total deductions.....	503,125,521	24,064,024	8,448,095	65,284,216	232,372,628	12,199,419	16,754,379	62,237,789	81,764,971	1,529,087
Cost of sales and operations.....	371,513,331	17,343,712	5,767,437	50,088,751	200,440,038	7,612,950	10,494,501	24,792,864	54,973,077	996,229
Compensation of officers.....	10,591,088	796,438	225,306	837,220	2,400,724	385,505	535,909	2,459,760	2,950,225	76,915
Repairs.....	2,585,952	135,651	37,871	385,563	511,405	49,795	100,959	1,013,919	350,788	6,452
Bad debts.....	838,747	77,722	10,127	99,608	230,023	41,878	83,053	91,165	205,173	*2,572
Rent paid on business property.....	13,189,285	489,305	323,827	1,283,466	2,601,366	726,177	696,040	4,264,591	2,804,514	33,636
Taxes paid.....	8,854,780	519,817	185,378	1,014,864	2,118,694	259,582	354,217	2,903,163	1,499,065	23,252
Interest paid.....	4,111,863	240,279	71,576	344,474	1,579,473	110,992	158,154	877,007	729,909	13,660
Amortization.....	677,219	18,063	4,763	76,426	138,322	9,309	13,950	245,053	170,332	*54
Depreciation.....	5,132,956	239,346	76,393	727,620	1,146,965	132,966	214,910	1,605,513	989,243	24,569
Depletion.....	*4,286	*1,975	(*)	-	*1,034	-	-	-	*1,277	-
Advertising.....	8,057,648	336,671	173,949	611,097	2,274,130	351,119	709,476	1,972,797	1,628,410	17,088
Pension, profit-sharing, stock bonus, and annuity plans.....	540,116	61,039	10,160	89,331	124,584	15,463	19,149	37,857	182,533	*2,172
Employee benefit programs.....	2,388,069	145,748	41,155	409,261	893,465	58,816	90,737	375,224	373,665	*3,327
Net loss, noncapital assets.....	99,902	*417	*170	21,383	6,708	*12,283	*3,138	18,584	37,216	-
Other deductions.....	74,540,280	3,656,841	1,519,983	9,295,150	17,905,698	2,432,585	3,280,186	21,580,290	14,869,547	329,182
Total receipts less total deductions.....	5,368,113	537,448	162,768	517,615	1,259,923	32,835	445,181	745,097	1,667,244	28,628
Net income (less deficit), total.....	5,341,387	536,805	162,551	510,861	1,256,181	32,589	441,266	743,603	1,657,	

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120S

Table 14—Balance Sheet and Income Statement, by Major Industry—Continued

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

Item	Major industry—Continued							
	Finance, insurance, and real estate							
	Total	Banking	Credit agencies other than banks	Security, commodity brokers and services	Insurance	Insurance agents, brokers, and service	Real estate	Holding and other investment companies, except bank holding companies
	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)
Number of returns, total.....	273,415	*43	11,633	10,054	1,786	33,810	199,332	16,757
Total assets.....	148,211,301	*301,272	13,468,654	9,226,876	374,910	7,052,446	105,385,145	12,401,998
Cash.....	10,406,460	*57,654	865,600	1,062,098	109,855	2,251,033	5,311,815	748,405
Notes and accounts receivable.....	14,042,616	*45,065	4,693,958	1,453,944	*28,343	1,939,393	5,134,619	747,294
Less: Allowance for bad debts.....	350,103	*366	117,966	*1,023	*120	8,058	198,012	*24,558
Inventories.....	9,471,643	-	-	-	-	-	9,470,683	*960
Investments in Government obligations.....	2,074,042	*25,386	*70,546	1,413,197	-	*3,443	349,987	211,482
Tax-exempt securities.....	763,683	*1,145	*17,345	*111,808	-	*19,112	94,592	519,881
Other current assets.....	12,513,819	*72,672	1,563,059	1,888,805	*46,960	468,673	7,649,270	824,380
Loans to stockholders.....	3,244,497	-	115,212	179,000	*8,030	354,781	2,371,216	216,258
Mortgage and real estate loans.....	7,980,367	-	3,724,821	-	-	67,111	3,600,402	588,033
Other investments.....	21,254,809	*82,672	1,901,802	2,493,052	*58,483	499,940	9,228,450	6,990,410
Depreciable assets.....	57,189,974	*24,018	585,356	696,111	*140,724	2,189,577	52,733,983	820,206
Less: Accumulated depreciation.....	16,990,082	*11,414	234,529	332,040	*75,890	1,372,553	14,762,767	200,889
Depletable assets.....	248,292	-	-	55,330	-	*10,380	157,034	*25,547
Less: Accumulated depletion.....	65,461	-	-	38,087	-	*5,396	19,585	*2,413
Land.....	19,649,065	*454	34,599	*35,399	*9,202	45,213	18,870,115	654,082
Intangible assets (amortizable).....	2,578,832	*2,617	133,918	21,418	*18,405	819,015	1,510,284	73,175
Less: Accumulated amortization.....	1,159,121	*648	68,310	10,875	*2,398	509,652	545,582	21,657
Other assets.....	5,357,971	*2,016	183,243	198,718	*33,316	280,433	4,428,643	231,602
Total liabilities.....	148,211,301	*301,272	13,468,654	9,226,876	374,910	7,052,446	105,385,145	12,401,998
Accounts payable.....	7,770,860	*1,685	478,188	1,720,907	*35,824	2,667,471	2,767,294	99,489
Mortgages, notes, and bonds payable in less than one year.....	17,170,557	*99,566	4,707,396	709,843	*22,115	378,869	10,863,902	388,866
Other current liabilities.....	10,772,635	*59,677	865,621	3,030,028	*82,476	958,425	5,314,611	461,798
Loans from stockholders.....	21,642,933	*11,744	957,116	357,035	*24,607	598,307	17,965,726	1,728,399
Mortgages, notes, and bonds payable in one year or more.....	55,853,091	*2,853	3,963,974	438,024	*53,338	906,652	48,358,924	2,129,327
Other liabilities.....	7,426,703	*4,486	766,557	543,374	*8,786	149,581	5,348,179	605,739
Capital stock.....	9,489,374	*37,285	697,716	507,416	50,218	211,048	6,732,739	1,252,953
Paid-in or capital surplus.....	24,322,823	*79,773	719,070	1,202,642	*16,078	303,427	17,173,647	4,828,185
Retained earnings, unappropriated.....	-5,026,021	*4,202	351,497	819,629	81,468	1,045,739	-8,364,702	1,036,146
Less: Cost of treasury stock.....	1,211,653	-	38,481	102,020	-	167,073	775,175	128,904
Total receipts.....	61,223,859	*56,423	5,207,812	6,031,121	587,776	12,892,702	34,473,790	1,974,236
Business receipts.....	56,726,919	*52,440	4,479,317	5,264,610	584,776	12,673,446	32,425,452	1,246,877
Interest on Government obligations:								
State and local.....	119,079	*67	*930	15,541	*591	8,578	41,611	51,762
Net gain, noncapital assets.....	404,818	*9	40,704	253,483	*19	9,764	95,102	*5,737
Other receipts.....	3,973,043	*3,908	686,861	497,487	*2,390	200,913	1,911,624	669,859
Total deductions.....	59,212,169	*55,832	4,712,259	5,748,982	525,661	11,711,093	34,458,410	1,999,932
Cost of sales and operations.....	17,775,943	-	193,745	655,474	*56,705	2,513,598	14,026,645	329,776
Compensation of officers.....	6,425,122	*4,606	568,519	1,343,539	*68,575	1,897,832	2,227,264	316,787
Repairs.....	285,367	*280	20,885	9,347	*6,080	66,488	178,311	3,977
Bad debts.....	471,400	*643	150,254	18,336	*165	59,144	217,673	25,186
Rent paid on business property.....	1,748,377	*2,904	183,375	177,616	*26,419	403,821	923,507	30,734
Taxes paid.....	1,699,902	*1,969	151,223	164,148	21,133	382,944	909,766	68,718
Interest paid.....	2,457,297	*6,326	534,147	175,621	*5,136	142,856	1,448,659	144,552
Amortization.....	223,922	*500	29,514	5,401	*1,325	98,160	81,365	7,657
Depreciation.....	805,207	*1,973	59,587	72,337	*9,309	171,752	455,002	35,248
Depletion.....	13,256	-	-	-	-	-	*13,255	1
Advertising.....	831,478	*1,468	63,315	38,396	*4,809	159,956	558,570	4,964
Pension, profit-sharing, stock bonus, and annuity plans.....	319,288	*233	19,301	54,997	*1,818	125,626	95,374	21,940
Employee benefit programs.....	492,425	*511	40,528	56,676	*13,478	169,298	184,945	26,988
Net loss, noncapital assets.....	76,092	-	14,912	-	-	*1,488	47,983	*11,708
Other deductions.....	25,587,095	*34,421	2,684,954	2,977,094	310,710	5,518,130	13,090,090	971,697
Total receipts less total deductions.....	2,011,690	*591	495,552	282,139	62,114	1,181,609	15,360	-25,696
Net income (less deficit), total.....	1,892,610	*524	494,622	266,598	61,524	1,173,031	-28,231	-77,458
Income subject to tax.....	16,323	-	*785	*130	-	*360	*6,508	*8,540
Income tax, total ²	8,590	-	*267	*44	-	*122	3,931	*4,225

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120S

Table 14--Balance Sheet and Income Statement, by Major Industry--Continued

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

Item	Major industry--Continued							Nature of business not allocable
	Services							
	Total	Hotels and other lodging places	Personal services	Business services	Auto repair, miscellaneous repair services	Amusement and recreation services	Other services	
	(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)
Number of returns, total.....	587,071	14,730	45,379	180,359	63,974	51,685	230,943	5,574
Total assets.....	116,253,091	14,303,260	4,893,091	36,183,654	10,856,640	16,231,171	33,785,275	717,252
Cash.....	14,737,713	723,494	568,213	5,036,723	1,205,674	1,607,866	5,595,742	73,868
Notes and accounts receivable.....	17,806,801	507,262	678,134	8,498,010	1,214,854	973,721	5,934,821	*11,887
Less: Allowance for bad debts.....	403,783	6,444	*5,535	112,532	14,710	19,160	245,402	-
Inventories.....	3,990,101	114,910	188,721	1,229,195	1,126,595	591,704	738,977	*66,151
Investments in Government obligations.....	379,926	*29,228	-	228,455	*306	*9,185	112,752	5,408
Tax-exempt securities.....	401,447	*3,668	*38,176	217,946	*189	*42,232	99,235	1,005
Other current assets.....	6,151,371	280,723	243,172	2,428,546	420,721	891,678	1,886,531	*95,706
Loans to stockholders.....	3,728,463	324,151	69,374	1,266,552	229,578	347,451	1,491,359	*20,909
Mortgage and real estate loans.....	769,278	158,335	*46,085	253,606	*51,468	82,212	177,571	-
Other investments.....	8,387,732	674,577	239,408	3,694,151	177,690	961,469	2,640,437	*19,369
Depreciable assets.....	92,381,617	14,875,109	4,846,405	23,069,653	9,541,957	15,295,839	24,752,654	259,492
Less: Accumulated depreciation.....	45,900,970	5,632,089	2,855,870	12,818,738	4,144,660	7,538,826	12,910,767	106,510
Depletable assets.....	118,712	-	*8,813	13,101	-	*33,135	63,662	-
Less: Accumulated depletion.....	43,468	-	*5,718	*3,610	-	*6,004	*28,136	-
Land.....	5,968,806	1,821,885	243,357	831,221	610,616	1,541,326	920,401	*41,175
Intangible assets (amortizable).....	6,182,421	222,325	388,264	1,590,354	229,850	2,094,491	1,657,136	*34,089
Less: Accumulated amortization.....	3,439,601	93,877	187,047	838,006	80,972	1,484,711	754,989	*10,659
Other assets.....	5,038,526	300,003	389,137	1,599,027	287,485	807,564	1,653,311	185,363
Total liabilities.....	116,253,091	14,303,260	4,893,091	36,183,654	10,856,640	16,231,171	33,785,275	717,252
Accounts payable.....	9,727,109	449,904	312,241	4,891,904	870,241	890,208	2,312,611	154,212
Mortgages, notes, and bonds payable in less than one year.....	12,708,660	1,087,997	316,710	4,129,517	2,542,256	1,190,298	3,441,882	*30,025
Other current liabilities.....	11,959,837	721,955	377,083	4,185,901	883,279	1,612,835	4,178,784	61,565
Loans from stockholders.....	20,331,659	2,367,545	1,126,292	5,769,626	1,309,744	4,528,237	5,230,216	70,250
Mortgages, notes, and bonds payable in one year or more.....	34,339,000	8,496,992	1,290,246	7,193,090	2,885,321	4,848,042	9,625,308	*102,420
Other liabilities.....	5,380,609	388,486	426,383	1,719,741	227,340	994,111	1,624,548	*103,671
Capital stock.....	7,410,762	1,018,619	553,456	1,788,371	533,584	1,445,430	2,071,302	61,076
Paid-in or capital surplus.....	14,616,106	2,226,271	321,049	4,240,192	740,736	3,739,720	3,348,139	*59,311
Retained earnings, unappropriated.....	1,728,232	-2,206,738	250,317	2,814,143	1,001,921	-2,771,619	2,640,208	80,159
Less: Cost of treasury stock.....	1,948,884	247,770	80,686	548,832	137,783	246,091	687,722	*5,437
Total receipts.....	261,504,463	11,956,246	13,138,549	92,504,659	23,572,337	23,429,310	96,903,363	1,405,155
Business receipts.....	254,266,242	11,667,448	13,008,710	90,031,367	22,945,752	22,588,118	94,024,848	1,359,640
Interest on Government obligations:								
State and local.....	46,152	*1,191	*1,161	27,533	*1,330	2,795	12,142	*67
Net gain, noncapital assets.....	962,962	8,504	50,677	242,103	399,956	93,579	168,142	*15,060
Other receipts.....	6,229,107	279,103	78,001	2,203,654	225,300	744,818	2,698,231	30,388
Total deductions.....	250,862,450	12,322,309	12,787,938	88,691,426	22,976,361	22,649,149	91,435,267	1,342,050
Cost of sales and operations.....	79,083,474	1,710,006	4,499,930	37,204,543	11,433,603	6,021,693	18,213,698	855,818
Compensation of officers.....	26,821,120	221,221	1,104,370	7,587,049	1,285,961	1,521,178	15,101,341	*45,317
Repairs.....	2,313,446	354,138	150,093	487,857	219,736	405,847	695,775	5,000
Bad debts.....	905,158	26,069	30,587	379,854	58,505	25,050	385,092	*12,241
Rent paid on business property.....	10,673,498	594,307	885,152	2,709,930	988,857	1,158,113	4,337,138	29,208
Taxes paid.....	10,233,593	771,773	543,539	3,406,900	843,128	1,059,170	3,609,083	22,536
Interest paid.....	4,268,650	838,861	185,332	937,552	453,440	605,011	1,248,453	18,555
Amortization.....	1,255,220	30,415	51,622	253,399	49,651	629,648	240,485	*8,112
Depreciation.....	7,654,304	757,944	400,964	2,087,121	1,285,201	1,239,712	1,883,362	16,833
Depletion.....	*9,991	-	*143	*680	-	*230	*8,939	-
Advertising.....	3,280,526	353,573	210,504	871,305	357,443	519,740	987,961	32,936
Pension, profit-sharing, stock bonus, and annuity plans.....	1,712,695	15,400	64,115	416,848	40,532	83,297	1,092,503	*7,891
Employee benefit programs.....	3,060,265	426,329	84,764	923,912	228,695	140,564	1,256,000	*4,257
Net loss, noncapital assets.....	68,954	*414	*2,110	32,358	*5,548	5,298	23,226	*7,301
Other deductions.....	99,521,558	6,221,858	4,574,713	31,392,117	5,726,059	9,234,599	42,372,211	276,047
Total receipts less total deductions.....	10,642,013	-386,063	350,611	3,813,232	595,976	780,161	5,468,096	63,105
Net income (less deficit), total.....	10,595,861	-367,253	349,450	3,785,699	594,646	777,367	5,455,953	63,038
Income subject to tax.....	37,355	*1,671	*354	20,323	683	*2,102	12,222	-
Income tax, total ²	12,653	*568	*120	6,910	*248	*715	4,092	-

¹ Estimate should be used with caution because of the small number of sample returns on which it is based.

² Less than \$500 per return.

³ Also includes excess net passive income tax (Form 1120S), and adjustments to income tax and to total tax which are not shown separately.

NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120S

Table 15--Balance Sheet and Income Statement, by Major Industry

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

Item	Major industry						
	All Industries	Agriculture, forestry, and fishing	Mining				Nonmetallic minerals, except fuels
			Total	Metal mining	Coal mining	Oil and gas extraction	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of returns, total.....	941,245	33,985	7,157	*78	239	6,264	576
Total assets.....	506,697,790	10,847,744	7,577,753	*150,504	707,513	5,063,970	1,655,766
Cash.....	57,158,680	1,136,388	890,002	*6,592	104,769	551,480	227,162
Notes and accounts receivable.....	111,975,361	1,259,316	930,912	*67,255	129,581	532,025	202,051
Less: Allowance for bad debts.....	1,668,614	3,818	5,670	-	-	*752	*4,917
Inventories.....	109,611,562	1,001,091	210,128	*32	*60,846	22,274	126,976
Investments in Government obligations.....	3,290,934	*24,462	150,336	-	105	*133,306	*16,925
Tax-exempt securities.....	2,009,786	99,201	*35,802	-	-	*35,760	*42
Other current assets.....	26,175,156	273,495	275,251	*2,386	26,453	208,764	37,649
Loans to stockholders.....	8,536,206	423,181	226,031	-	-	200,454	*25,577
Mortgage and real estate loans.....	5,780,024	123,785	*189	*52	-	*57	*80
Other investments.....	32,150,475	637,408	1,389,492	*9,770	*40,203	1,192,895	146,625
Depreciable assets.....	263,077,725	9,490,084	4,722,295	*191,234	773,772	2,103,383	1,653,906
Less: Accumulated depreciation.....	148,974,008	6,255,899	2,842,042	*137,675	493,886	1,175,303	1,035,178
Depletable assets.....	2,419,955	*5,385	1,697,997	*6,534	*13,327	1,563,510	114,626
Less: Accumulated depletion.....	866,152	*2,527	631,519	*6,534	*1,130	589,721	34,132
Land.....	16,865,004	2,315,037	250,604	*9,057	21,964	60,700	158,882
Intangible assets (amortizable).....	11,896,507	17,389	85,177	*200	*3,366	77,125	4,486
Less: Accumulated amortization.....	6,074,655	8,182	34,019	*143	*978	31,447	*1,450
Other assets.....	13,333,844	311,947	226,787	*1,744	29,122	179,463	16,459
Total liabilities.....	506,697,790	10,847,744	7,577,753	*150,504	707,513	5,063,970	1,655,766
Accounts payable.....	71,643,615	581,208	601,522	*37,939	106,410	393,729	63,445
Mortgages, notes, and bonds payable in less than one year.....	68,740,835	1,552,189	430,166	*27,957	72,407	236,604	93,198
Other current liabilities.....	40,431,414	393,237	389,573	*4,599	27,434	247,939	109,602
Loans from stockholders.....	28,570,520	966,801	367,605	*4,335	*42,151	297,451	*23,668
Mortgages, notes, and bonds payable in one year or more.....	81,360,359	2,335,797	1,402,569	*19,829	176,475	909,507	296,758
Other liabilities.....	11,426,372	253,656	330,538	*18,454	*39,819	194,881	*77,383
Capital stock.....	19,002,306	1,525,100	203,807	*826	7,397	169,463	26,121
Paid-in or capital surplus.....	25,610,777	1,095,864	958,532	*324	39,038	867,319	51,850
Retained earnings, unappropriated.....	168,876,404	2,413,491	3,111,362	*36,241	202,684	1,896,267	976,170
Less: Cost of treasury stock.....	8,964,813	269,597	217,921	-	*6,303	*149,189	*62,429
Total receipts.....	1,378,521,724	21,058,832	7,666,624	*235,294	2,418,483	3,357,629	1,655,218
Business receipts.....	1,355,666,986	20,136,678	7,229,811	*223,424	2,399,580	2,992,290	1,614,516
Interest on Government obligations:							
State and local.....	257,422	4,431	3,767	-	-	3,456	*311
Net gain, noncapital assets.....	2,753,557	167,301	69,230	*443	*465	65,453	2,870
Other receipts.....	19,843,759	750,422	363,817	*11,427	18,438	296,431	37,521
Total deductions.....	1,298,615,498	19,223,414	6,489,724	*216,554	2,258,088	2,532,291	1,482,791
Cost of sales and operations.....	883,815,851	11,279,068	3,113,498	*53,595	1,382,144	830,938	846,820
Compensation of officers.....	54,954,817	565,915	235,682	*6,674	*25,422	120,936	82,649
Repairs.....	7,213,939	433,784	126,488	*17,969	41,406	33,337	33,776
Bad debts.....	2,586,385	31,584	8,628	*1,826	*298	3,696	2,807
Rent paid on business property.....	24,715,232	628,004	51,861	*4,350	9,608	31,429	6,474
Taxes paid.....	28,444,679	393,339	311,579	*11,911	102,130	145,374	52,164
Interest paid.....	11,925,289	374,267	165,148	*3,655	33,545	98,241	29,707
Amortization.....	1,850,954	6,123	12,297	*2	*2,585	9,334	*376
Depreciation.....	20,711,307	658,240	428,215	*17,354	96,514	193,085	121,262
Depletion.....	218,490	*375	140,378	*1,302	*82,592	*13,307	43,176
Advertising.....	12,965,882	63,484	6,529	*103	*1,288	2,532	2,606
Pension, profit-sharing, stock bonus, and annuity plans.....	4,516,210	38,171	21,632	-	*3,935	7,067	10,630
Employee benefit programs.....	10,224,301	95,263	183,030	*8,756	128,483	17,223	28,568
Net loss, noncapital assets.....	104,580	*1,631	*1,152	*288	*80	*785	-
Other deductions.....	234,367,582	4,654,165	1,683,608	*88,768	348,058	1,025,007	221,775
Total receipts less total deductions.....	79,906,227	1,835,418	1,176,901	*18,740	160,395	825,339	172,427
Net income.....	79,648,805	1,830,987	1,173,134	*18,740	160,395	821,883	172,116
Income subject to tax.....	158,585	*9,077	*4,267	-	-	*4,002	*264
Income tax, total ?.....	73,903	*1,730	*1,377	-	-	*1,093	*284

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120S

Table 15—Balance Sheet and Income Statement, by Major Industry—Continued

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

Item	Major industry—Continued								
	Construction				Manufacturing				
	Total	General building contractors and operative builders	Heavy construction contractors	Special trade contractors	Total	Food and kindred products	Tobacco manufactures	Textile mill products	Apparel and other textile products
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Number of returns, total.....	105,079	42,251	4,277	58,551	67,601	3,972	-	1,592	3,770
Total assets.....	45,011,106	21,833,178	7,007,163	16,170,765	120,106,904	13,566,590	-	6,031,750	8,437,328
Cash.....	7,267,130	3,038,327	1,361,118	2,867,685	10,746,784	964,986	-	516,553	639,315
Notes and accounts receivable.....	13,266,041	5,301,503	1,959,368	8,005,171	29,991,637	2,803,493	-	1,421,057	2,370,245
Less: Allowance for bad debts.....	49,631	11,213	6,051	32,367	567,325	53,828	-	31,711	67,869
Inventories.....	6,921,824	5,418,812	247,070	1,255,942	27,698,488	2,848,465	-	1,581,232	3,067,807
Investments in Government obligations.....	317,679	83,960	128,557	105,162	978,915	112,584	-	*70,140	*49,367
Tax-exempt securities.....	228,218	51,818	58,569	*117,831	791,777	72,916	-	*87,058	*13,576
Other current assets.....	4,250,699	2,495,245	540,167	1,215,288	4,998,463	497,716	-	268,109	601,501
Loans to stockholders.....	871,175	404,470	44,675	422,030	1,055,427	143,423	-	29,444	87,221
Mortgage and real estate loans.....	347,989	276,087	*15,245	56,658	184,930	*16,873	-	-	*8,536
Other investments.....	2,590,065	1,461,161	483,539	645,365	6,513,717	818,328	-	228,486	286,008
Depreciable assets.....	19,720,309	4,744,610	5,804,247	9,171,451	74,284,608	9,858,562	-	3,646,453	2,666,960
Less: Accumulated depreciation.....	12,843,665	2,682,693	3,973,808	6,187,163	42,923,313	5,378,833	-	1,973,877	1,489,451
Depletable assets.....	86,047	*14,661	65,339	*6,047	398,610	-	-	*19,704	-
Less: Accumulated depletion.....	36,222	*2,366	29,066	*4,789	91,493	-	-	*9,380	-
Land.....	1,146,326	737,721	168,838	239,767	2,244,730	356,424	-	68,542	49,375
Intangible assets (amortizable).....	154,796	46,477	26,396	81,923	2,488,598	390,557	-	37,695	102,115
Less: Accumulated amortization.....	85,297	22,627	12,670	50,001	1,111,441	128,495	-	19,027	41,271
Other assets.....	857,622	477,226	125,632	254,765	2,423,792	243,423	-	91,271	93,894
Total liabilities.....	45,011,106	21,833,178	7,007,163	16,170,765	120,106,904	13,566,590	-	6,031,750	8,437,328
Accounts payable.....	8,176,412	4,493,062	978,962	2,704,388	15,381,013	1,745,062	-	860,359	1,373,603
Mortgages, notes, and bonds payable in less than one year.....	5,374,363	3,760,013	411,627	1,202,723	11,336,591	1,380,855	-	555,771	1,048,735
Other current liabilities.....	5,420,405	2,631,316	710,571	2,078,519	8,838,474	820,359	-	290,001	596,403
Loans from stockholders.....	2,075,668	1,169,136	156,313	750,219	3,855,363	436,614	-	115,003	500,853
Mortgages, notes, and bonds payable in one year or more.....	4,417,867	2,174,045	768,110	1,475,712	16,289,845	2,146,336	-	762,805	811,697
Other liabilities.....	1,056,270	615,895	126,234	314,141	2,082,502	147,096	-	74,067	125,604
Capital stock.....	1,282,243	400,871	223,029	658,343	3,287,987	360,625	-	151,942	124,929
Paid-in or capital surplus.....	1,522,809	831,054	212,875	478,881	4,277,347	491,615	-	299,665	366,390
Retained earnings, unappropriated.....	16,237,376	5,886,732	3,541,182	6,809,462	57,286,588	6,315,247	-	3,037,099	3,699,535
Less: Cost of treasury stock.....	552,309	128,945	121,739	301,625	2,528,805	277,420	-	114,963	210,421
Total receipts.....	124,518,598	55,628,596	15,687,141	53,202,861	267,118,205	38,437,729	-	12,548,961	21,969,195
Business receipts.....	123,303,324	55,144,434	15,393,084	52,765,806	264,068,500	37,957,359	-	12,439,453	21,602,789
Interest on Government obligations:									
State and local.....	34,013	8,126	13,304	12,583	84,688	7,392	-	3,005	2,287
Net gain, noncapital assets.....	233,226	29,959	122,279	80,988	385,185	46,082	-	4,487	2,670
Other receipts.....	948,034	446,077	158,474	343,483	2,579,833	426,895	-	102,017	361,449
Total deductions.....	117,375,324	52,812,536	14,653,827	49,908,960	248,131,181	36,189,928	-	11,647,143	20,656,212
Cost of sales and operations.....	92,208,971	45,378,252	11,581,789	35,248,930	180,430,104	28,573,627	-	9,387,960	15,452,506
Compensation of officers.....	4,228,403	1,387,594	377,949	2,462,860	9,513,741	571,240	-	321,898	874,119
Repairs.....	528,914	102,688	152,301	273,925	1,030,467	180,233	-	52,772	50,360
Bad debts.....	152,820	24,825	25,184	102,811	593,376	43,273	-	20,759	59,106
Rent paid on business property.....	903,286	230,110	99,969	573,207	2,278,682	161,518	-	79,003	286,553
Taxes paid.....	2,499,022	699,519	303,651	1,495,852	5,371,071	555,873	-	212,334	413,701
Interest paid.....	733,345	335,675	118,202	279,468	2,448,528	278,544	-	122,588	218,005
Amortization.....	29,131	9,191	3,191	16,749	283,233	36,081	-	4,731	7,518
Depreciation.....	1,732,784	348,646	526,018	858,120	5,494,567	721,882	-	292,838	210,592
Depletion.....	10,163	*1,398	8,658	*107	49,842	153	-	-	-
Advertising.....	311,937	153,308	14,437	144,192	2,496,962	610,802	-	31,676	246,263
Pension, profit-sharing, stock bonus, and annuity plans.....	565,646	149,349	84,546	331,751	1,156,043	110,699	-	33,766	75,824
Employee benefit programs.....	868,061	193,008	106,144	568,909	3,143,777	347,490	-	139,014	175,982
Net loss, noncapital assets.....	3,912	771	*541	2,600	14,090	238	-	*921	*187
Other deductions.....	12,598,931	3,798,203	1,251,247	7,549,481	33,826,700	3,998,276	-	946,882	2,587,496
Total receipts less total deductions.....	7,143,274	2,816,060	1,033,314	3,293,900	18,987,024	2,247,801	-	901,818	1,312,983
Net income.....	7,109,260	2,807,934	1,020,009	3,281,317	18,902,337	2,240,409	-	898,813	1,310,696
Income subject to tax.....	8,611	4,088	*1,687	2,838	40,988	17,319	-	*476	*544
Income tax, total ²	3,728	1,987	716	1,025	21,957	7,229	-	*205	*189

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120S

Table 15—Balance Sheet and Income Statement, by Major Industry—Continued

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

Item	Major industry—Continued								
	Manufacturing—Continued								
	Lumber and wood products	Furniture and fixtures	Paper and allied products	Printing and publishing	Chemical and allied products	Petroleum (including integrated) and coal products	Rubber and miscellaneous plastics products	Leather and leather products	Stone, clay, and glass products
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
Number of returns, total.....	4,579	1,633	842	12,919	2,942	230	3,065	677	2,254
Total assets.....	5,901,806	2,466,480	4,829,635	12,755,142	5,783,378	1,103,270	7,872,745	1,153,648	3,694,885
Cash.....	512,328	234,731	266,794	1,405,116	595,942	191,178	514,386	111,207	397,506
Notes and accounts receivable.....	1,054,674	784,920	1,124,119	3,254,517	1,501,774	233,528	1,814,147	348,852	727,552
Less: Allowance for bad debts.....	19,457	9,477	16,815	89,529	32,528	*996	28,284	6,407	11,710
Inventories.....	1,535,023	614,019	922,110	1,197,907	1,214,876	*204,133	1,491,680	420,555	552,978
Investments in Government obligations.....	*53,915	*5,681	*8,900	*134,502	*6,106	*11,174	*59,627	-	*69,815
Tax-exempt securities.....	*3,109	*7,456	*151,173	*117,209	*13,241	-	*54,632	-	*747
Other current assets.....	278,008	85,829	190,814	681,868	180,110	58,639	283,371	34,906	141,855
Loans to stockholders.....	25,438	10,724	45,521	246,994	36,195	*2,672	76,176	-	36,393
Mortgage and real estate loans.....	*32,045	*12,445	*11,693	*29,185	*17,389	-	*9,516	-	*6,151
Other investments.....	281,329	114,748	351,163	748,938	387,668	*18,304	836,979	91,982	250,891
Depreciable assets.....	3,890,555	1,242,517	3,387,555	9,319,207	3,484,091	893,996	5,663,480	251,797	3,080,378
Less: Accumulated depreciation.....	2,345,018	754,334	1,830,884	5,429,192	1,895,102	596,568	3,195,525	150,807	1,856,648
Depletable assets.....	208,888	-	35,983	16,830	2,318	*30,071	-	*474	79,819
Less: Accumulated depletion.....	*14,978	-	-	*14,673	883	*20,830	-	*65	27,380
Land.....	192,528	45,253	52,668	245,089	135,230	*73,123	104,980	7,488	128,782
Intangible assets (amortizable).....	49,594	21,338	33,221	782,680	87,743	*6,800	90,621	*36,283	82,381
Less: Accumulated amortization.....	22,978	12,405	11,164	328,991	49,505	*5,688	54,783	*16,740	49,153
Other assets.....	186,804	63,037	108,782	437,486	98,711	*3,716	151,761	24,125	84,529
Total liabilities.....	5,901,806	2,466,480	4,829,635	12,755,142	5,783,378	1,103,270	7,872,745	1,153,648	3,694,885
Accounts payable.....	518,352	310,622	606,345	1,483,422	739,152	*167,270	1,006,923	218,130	314,477
Mortgages, notes, and bonds payable in less than one year.....	666,043	200,646	332,409	976,393	536,666	*10,194	851,570	153,413	374,836
Other current liabilities.....	384,674	208,490	279,714	1,386,489	337,110	*82,645	491,802	54,054	191,562
Loans to stockholders.....	336,543	134,053	37,538	350,611	169,872	*1,407	146,435	*101,295	78,304
Mortgages, notes, and bonds payable in one year or more.....	721,013	198,221	568,711	2,660,650	664,265	*24,803	1,327,697	90,482	610,622
Other liabilities.....	88,470	20,066	76,714	609,045	112,184	*13,080	117,730	*5,848	27,292
Capital stock.....	209,550	95,565	65,894	329,440	179,290	21,413	213,329	59,464	77,912
Paid-in or capital surplus.....	239,181	40,782	188,149	433,822	215,612	*33,788	198,004	*16,541	171,928
Retained earnings, unappropriated.....	2,819,801	1,284,585	2,764,720	4,956,099	2,968,967	748,669	3,647,926	500,259	1,892,285
Less: Cost of treasury stock.....	81,820	*26,550	90,559	430,828	139,739	-	128,670	*45,837	*44,332
Total receipts.....	13,127,393	5,609,633	9,227,009	25,900,053	11,901,811	1,909,729	14,584,916	2,679,714	6,669,296
Business receipts.....	12,943,114	5,551,967	9,143,720	25,531,872	11,801,433	1,882,024	14,492,870	2,654,541	6,593,657
Interest on Government obligations:									
State and local.....	2,143	*1,753	12,925	10,413	2,521	*1,162	7,117	*379	*946
Net gain, noncapital assets.....	27,845	7,258	3,204	50,435	10,813	*472	14,488	*154	6,776
Other receipts.....	154,290	48,655	67,161	307,333	87,043	*26,071	70,441	24,640	67,917
Total deductions.....	12,245,728	5,196,005	8,634,639	23,936,654	10,802,368	1,758,964	13,353,949	2,514,683	6,118,874
Cost of sales and operations.....	9,483,484	3,820,194	6,544,784	13,167,156	7,143,175	1,415,611	9,783,559	1,896,920	4,281,425
Compensation of officers.....	409,299	159,639	297,299	1,335,325	497,499	*13,720	501,951	156,728	222,707
Repairs.....	89,474	14,901	31,627	133,211	72,342	10,494	59,596	3,176	42,691
Bad debts.....	21,577	10,656	14,919	123,265	31,249	*4,017	33,944	7,095	19,255
Rent paid on business property.....	78,229	51,690	64,020	402,866	108,723	*9,474	102,329	22,296	66,372
Taxes paid.....	272,174	129,327	170,717	703,103	203,174	27,692	334,220	44,540	154,856
Interest paid.....	112,511	39,273	68,181	333,597	101,709	*3,985	164,181	18,906	80,394
Amortization.....	10,891	4,266	8,025	62,745	19,613	*680	10,234	*5,469	13,612
Depreciation.....	273,277	77,387	230,895	714,300	247,106	44,335	445,275	20,065	234,760
Depletion.....	*31,285	-	-	*4,662	3,579	-	-	-	9,917
Advertising.....	47,290	52,279	36,061	311,099	228,532	*6,849	95,109	33,222	36,090
Pension, profit-sharing, stock bonus, and annuity plans.....	39,792	31,973	45,593	162,423	68,808	*4,612	65,557	8,279	27,670
Employee benefit programs.....	111,267	86,144	118,364	380,601	114,304	*8,031	197,095	30,296	74,493
Net loss, noncapital assets.....	*2,849	*51	*715	*1,117	*178	-	*178	-	*615
Other deductions.....	1,262,330	718,225	1,003,439	6,101,184	1,962,378	209,484	1,560,721	267,692	854,016
Total receipts less total deductions.....	881,666	413,628	592,370	1,963,400	1,099,443	150,765	1,230,967	165,030	550,422
Net income.....	879,522	411,875	579,445	1,952,987	1,096,922	149,603	1,223,851	164,651	549,476
Income subject to tax.....	*2,518	*115	*1,412	*1,147	*927	-	*258	-	*1,706
Income tax, total ?.....	*1,529	*208	*1,042	*569	*1,165	-	*1,801	-	*622

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120S

Table 15—Balance Sheet and Income Statement, by Major Industry—Continued

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

Item	Major industry—Continued							
	Manufacturing—Continued							
	Primary metal industries	Fabricated metal products	Machinery, except electrical	Electrical and electronic equipment	Motor vehicles and equipment	Transportation equipment, except motor vehicles	Instruments and related products	Miscellaneous manufacturing and manufacturing not allocable
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
Number of returns, total.....	542	9,576	4,762	4,392	431	1,463	1,775	6,126
Total assets	3,265,412	15,372,520	8,035,829	7,277,927	2,465,109	1,608,025	2,629,893	5,855,531
Cash.....	244,515	1,575,394	793,720	635,202	184,117	118,324	335,331	530,140
Notes and accounts receivable.....	960,884	4,090,493	2,152,884	2,015,383	584,331	389,864	705,999	1,652,922
Less: Allowance for bad debts.....	12,939	56,892	21,834	37,606	6,602	7,599	19,690	35,551
Inventories.....	714,522	3,340,355	2,304,251	2,073,254	836,669	419,573	693,196	1,665,903
Investments in Government obligations.....	*9,549	*128,007	*110,227	*87,114	37,714	-	16,281	*30,211
Tax-exempt securities.....	*6,199	127,740	*12,173	*74,641	*28,080	3,332	*18,266	*2,228
Other current assets.....	115,627	457,865	328,183	282,960	146,313	60,905	90,057	233,827
Loans to stockholders.....	22,555	97,091	44,431	80,231	*10,040	*1,080	11,447	48,351
Mortgage and real estate loans.....	*537	*18,657	*8,194	*10,658	-	-	*2,140	*912
Other investments.....	165,176	758,378	319,139	341,285	141,372	75,940	144,519	153,086
Depreciable assets.....	2,290,104	10,914,383	4,309,461	3,410,250	1,021,671	823,838	1,170,206	2,959,145
Less: Accumulated depreciation.....	1,384,701	6,698,528	2,608,917	1,972,531	577,491	461,737	671,481	1,651,685
Depletable assets.....	*613	*1,114	-	*2,098	-	*623	*75	-
Less: Accumulated depletion.....	*518	*564	-	*1,628	-	*588	*8	-
Land.....	57,227	272,305	130,531	131,682	29,272	24,012	51,460	88,759
Intangible assets (amortizable).....	85,697	260,978	113,108	110,953	9,527	14,622	67,458	105,230
Less: Accumulated amortization.....	50,628	115,751	65,529	38,340	4,254	8,271	27,636	60,852
Other assets.....	40,994	201,494	105,807	112,320	46,350	154,107	42,274	132,906
Total liabilities	3,265,412	15,372,520	8,035,829	7,277,927	2,465,109	1,608,025	2,629,893	5,855,531
Accounts payable.....	511,257	1,864,239	1,082,805	848,034	399,980	259,815	266,123	805,042
Mortgages, notes, and bonds payable in less than one year.....	250,240	1,434,383	773,935	572,093	314,345	94,460	207,491	602,113
Other current liabilities.....	219,807	1,033,496	749,716	673,587	210,087	177,985	266,761	383,752
Loans from stockholders.....	61,898	584,888	224,428	168,159	63,571	*30,211	90,821	222,657
Mortgages, notes, and bonds payable in one year or more.....	460,346	2,222,630	706,829	796,315	252,154	238,709	308,633	716,926
Other liabilities.....	59,213	167,207	121,092	138,809	33,214	49,408	12,842	83,525
Capital stock.....	102,481	379,348	216,586	278,177	16,770	40,963	60,352	303,957
Paid-in or capital surplus.....	82,332	427,239	256,522	317,278	51,701	*27,910	103,512	315,374
Retained earnings, unappropriated.....	1,631,342	7,546,791	4,095,335	3,624,685	1,148,098	702,050	1,381,960	2,521,135
Less: Cost of treasury stock.....	113,503	287,701	191,421	139,210	*24,812	13,467	68,602	98,950
Total receipts	8,044,570	31,582,304	15,660,007	14,559,263	6,237,703	3,873,675	5,243,551	17,351,693
Business receipts.....	7,941,170	31,278,415	15,453,120	14,419,421	6,190,867	3,837,053	5,174,954	17,178,702
Interest on Government obligations:								
State and local.....	*766	9,199	7,222	5,196	*3,733	*731	3,257	2,542
Net gain, noncapital assets.....	39,213	37,920	48,950	8,935	2,342	*586	14,826	57,729
Other receipts.....	63,421	256,771	150,715	125,711	40,761	35,306	50,514	112,720
Total deductions	7,610,577	29,294,895	14,309,505	13,316,277	5,871,169	3,629,139	4,730,719	16,313,753
Cost of sales and operations.....	6,364,823	21,538,969	9,961,056	8,805,448	4,829,819	2,744,360	2,793,704	12,441,525
Compensation of officers.....	210,520	1,499,717	615,637	666,756	158,284	140,043	307,562	553,801
Repairs.....	15,479	113,450	45,265	32,582	19,859	10,389	15,143	37,423
Bad debts.....	8,093	61,278	42,782	37,831	6,475	2,366	13,123	32,293
Rent paid on business property.....	27,897	259,147	118,476	143,629	24,776	41,797	70,977	158,909
Taxes paid.....	113,816	723,032	382,511	347,985	118,795	94,056	108,652	280,513
Interest paid.....	62,038	344,351	142,466	117,604	39,321	24,601	44,429	133,844
Amortization.....	4,961	35,275	11,358	8,800	3,565	16,026	7,477	13,925
Depreciation.....	164,845	740,364	323,291	294,175	85,892	64,284	97,035	211,968
Depletion.....	*44	*78	-	125	-	-	-	-
Advertising.....	12,700	141,162	142,278	159,790	23,360	15,449	88,119	178,832
Pension, profit-sharing, stock bonus, and annuity plans.....	35,925	159,220	90,452	68,560	12,918	15,030	36,786	62,157
Employee benefit programs.....	98,242	465,156	276,696	211,355	64,643	44,878	58,577	141,149
Net loss, noncapital assets.....	*1,228	1,394	*155	*286	*342	*1,356	*1,071	1,211
Other deductions.....	489,966	3,212,304	2,177,083	2,423,351	483,121	414,484	1,088,065	2,066,201
Total receipts less total deductions.....	433,993	2,287,409	1,350,501	1,242,985	366,533	244,536	512,832	1,037,940
Net income.....	433,227	2,278,210	1,343,279	1,237,790	362,801	243,805	509,576	1,035,399
Income subject to tax.....	*2,106	1,557	*7,675	*2,068	*449	177	*493	*41
Income tax, total ²	1,215	1,039	3,229	*1,352	*153	*84	*223	*104

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120S

Table 15--Balance Sheet and Income Statement, by Major Industry--Continued

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

Item	Major industry--Continued								
	Transportation and public utilities				Wholesale and retail trade				
	Total	Transportation	Communicatio	Electric, gas, and sanitary services	Total	Wholesale trade			
						Total	Groceries and related products	Machinery, equipment, and supplies	Miscellaneous wholesale trade
(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	
Number of returns, total.....	43,224	34,919	5,014	3,291	250,295	72,883	7,046	11,979	53,857
Total assets.....	20,201,465	13,630,546	3,864,147	2,706,772	181,385,015	87,309,134	6,766,022	8,694,971	70,848,141
Cash.....	2,349,319	1,575,929	355,126	418,265	17,936,854	7,921,878	665,866	803,087	6,452,744
Notes and accounts receivable.....	4,429,975	3,105,780	687,733	636,482	40,879,215	28,245,888	2,418,835	2,880,093	22,946,959
Less: Allowance for bad debts.....	84,040	30,862	30,444	*2,733	639,891	428,728	28,811	48,453	353,464
Inventories.....	390,142	327,570	49,339	*13,233	68,312,132	28,589,092	1,659,224	3,671,455	23,258,413
Investments in Government obligations.....	127,028	*42,724	*53,777	*30,527	538,432	358,281	*1,994	*71,753	284,535
Tax-exempt securities.....	50,366	*11,454	*34,772	*4,140	339,913	204,768	*4,789	*18,092	181,875
Other current assets.....	1,359,248	972,813	257,929	128,508	6,355,853	3,394,087	291,512	185,321	2,917,253
Loans to stockholders.....	390,408	284,318	78,722	47,371	2,101,827	810,529	61,895	58,303	690,531
Mortgage and real estate loans.....	94,047	*86,853	*2,217	*4,977	468,868	225,378	*2,958	*28,059	184,362
Other investments.....	1,149,682	684,157	185,471	280,054	6,661,300	4,112,531	276,781	444,244	3,391,508
Depreciable assets.....	18,856,312	13,387,548	2,956,713	2,512,051	69,411,353	25,367,519	2,502,150	2,983,811	19,881,558
Less: Accumulated depreciation.....	11,288,559	7,846,805	1,788,687	1,653,068	39,179,880	14,845,960	1,449,869	1,692,818	11,703,274
Depletable assets.....	*48,754	*48,110	-	*644	23,952	*6,304	-	*1,578	*4,728
Less: Accumulated depletion.....	*12,586	*12,508	-	*78	11,441	*2,253	-	*1,161	*1,091
Land.....	464,585	302,140	79,995	82,449	4,322,693	1,324,494	84,974	131,463	1,108,057
Intangible assets (amortizable).....	1,119,696	387,690	591,860	140,145	3,808,131	1,279,339	196,224	85,914	997,201
Less: Accumulated amortization.....	512,140	145,153	278,378	90,609	1,763,830	593,530	81,312	36,633	475,586
Other assets.....	1,249,229	468,810	626,003	154,416	3,521,735	1,339,721	159,002	108,884	1,071,835
Total liabilities.....	20,201,465	13,630,546	3,864,147	2,706,772	181,385,015	87,309,134	6,766,022	8,694,971	70,848,141
Accounts payable.....	2,647,403	1,802,768	309,909	434,727	33,596,059	20,852,776	1,758,491	2,251,337	16,842,948
Mortgages, notes, and bonds payable in less than one year.....	2,117,541	1,389,381	434,596	293,564	33,219,785	12,136,325	979,650	1,237,068	9,919,607
Other current liabilities.....	1,725,036	1,233,712	283,728	207,597	5,078,875	363,424	498,888	498,888	4,216,671
Loans from stockholders.....	1,038,749	613,212	316,691	108,846	10,029,289	4,166,781	349,638	403,030	3,414,114
Mortgages, notes, and bonds payable in one year or more.....	4,853,588	3,283,679	1,111,233	458,677	22,599,938	8,055,279	663,448	1,219,025	6,172,809
Other liabilities.....	939,521	313,253	304,047	322,222	1,943,812	863,621	48,890	84,838	730,093
Capital stock.....	781,873	465,373	239,078	77,423	6,300,638	2,170,887	137,722	272,274	1,760,690
Paid-in or capital surplus.....	1,103,480	623,717	270,309	209,454	6,230,092	2,403,474	179,410	313,052	1,911,012
Retained earnings, unappropriated.....	5,400,794	4,071,382	694,628	634,784	59,156,903	33,339,641	2,438,573	3,633,651	27,267,418
Less: Cost of treasury stock.....	406,521	265,930	*100,071	*40,520	3,192,172	1,758,633	153,222	217,991	1,387,421
Total receipts.....	47,641,660	37,644,904	4,995,616	5,001,140	671,921,772	304,389,908	38,012,821	24,021,823	242,355,265
Business receipts.....	46,544,077	36,935,454	4,749,426	4,859,197	664,287,941	301,602,948	37,778,003	23,437,840	240,387,105
Interest on Government obligations:									
State and local.....	10,690	7,687	*2,644	*359	59,045	37,787	*750	5,260	31,776
Net gain, noncapital assets.....	378,472	203,479	135,632	39,361	597,856	190,010	11,318	38,524	140,168
Other receipts.....	708,421	498,283	107,914	102,223	6,976,930	2,559,163	222,749	540,199	1,796,215
Total deductions.....	44,265,335	35,520,709	4,267,428	4,477,197	650,511,052	294,429,327	37,243,313	22,959,214	234,226,799
Cost of sales and operations.....	20,681,941	16,981,556	1,458,568	2,241,816	506,358,102	240,040,111	32,025,014	17,165,907	190,849,189
Compensation of officers.....	1,470,671	1,047,866	240,745	182,060	15,783,144	8,236,219	783,736	846,612	6,605,870
Repairs.....	748,821	598,522	50,280	100,019	2,564,110	817,763	113,063	72,319	632,381
Bad debts.....	131,430	72,713	52,039	6,678	1,067,479	624,850	58,105	60,299	506,446
Rent paid on business property.....	1,443,364	1,242,914	114,772	85,678	11,282,485	2,681,495	248,143	250,016	2,183,336
Taxes paid.....	1,532,451	1,213,002	144,821	174,828	10,046,916	3,991,756	298,518	317,108	3,376,130
Interest paid.....	593,177	410,189	121,898	61,090	4,188,148	1,762,408	133,575	188,812	1,442,020
Amortization.....	141,775	40,586	87,978	13,211	461,627	163,775	20,391	11,412	131,972
Depreciation.....	1,840,755	1,391,152	237,190	212,413	5,328,673	1,972,710	225,399	229,581	1,517,750
Depletion.....	-	-	-	-	*3,094	*1,119	-	*49	*1,070
Advertising.....	231,292	131,096	87,384	12,812	7,152,421	1,399,582	135,330	110,009	1,154,243
Pension, profit-sharing, stock bonus, and annuity plans.....	154,623	112,741	18,531	23,351	1,197,205	752,447	59,453	83,499	609,495
Employee benefit programs.....	540,247	435,570	35,712	68,965	2,798,167	1,170,870	105,838	153,981	911,053
Net loss, noncapital assets.....	11,350	2,705	*8,510	*135	46,110	10,924	*211	*203	10,510
Other deductions.....	14,743,438	11,840,097	1,609,002	1,294,340	82,233,370	30,603,299	3,036,540	3,471,427	24,285,332
Total receipts less total deductions.....	3,376,325	2,124,194	728,187	523,943	21,410,719	9,960,582	769,508	1,062,608	8,128,466
Net income.....	3,365,635	2,116,507	725,543	523,585	21,351,675	9,922,795	768,757	1,057,348	8,096,889
Income subject to tax.....	13,409	4,378	*9,031	-	35,172	11,792	*385	*1,061	10,347
Income tax, total ²	3,518	1,591	*1,927	-	25,005	13,708	*160	1,723	11,826

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120S

Table 15—Balance Sheet and Income Statement, by Major Industry—Continued

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

Item	Major industry—Continued									
	Wholesale and retail trade—continued									
	Retail trade									Wholesale and retail trade not allocable
	Total	Building materials, garden supplies and mobile home dealers	General merchandise stores	Food stores	Automotive dealers and service stations	Apparel and accessory stores	Furniture and home furnishing stores	Eating and drinking places	Miscellaneous retail stores	
(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	
Number of returns, total.....	176,652	9,266	1,524	15,467	25,461	8,543	10,187	52,424	53,780	760
Total assets.....	93,685,660	6,628,392	2,235,266	8,588,166	34,783,127	3,439,360	5,861,853	12,356,543	19,792,952	390,221
Cash.....	9,938,990	509,109	244,122	1,114,729	2,780,947	428,758	613,914	1,666,140	2,579,271	78,186
Notes and accounts receivable.....	12,527,091	1,457,723	244,704	501,083	4,507,670	312,470	1,363,522	476,145	3,663,775	*106,236
Less: Allowance for bad debts.....	210,270	23,763	*2,973	2,111	73,277	15,904	27,843	*1,101	63,298	*894
Inventories.....	37,621,147	2,718,865	1,084,379	2,226,593	19,451,104	1,740,904	2,195,168	630,196	7,573,938	*101,893
Investments in Government obligations.....	180,150	*35,261	-	*11,290	*46,236	1,107	*36,939	*18,491	*30,825	-
Tax-exempt securities.....	135,148	*12,587	-	*15,236	*3,833	2,763	*25,877	*11,506	*63,346	-
Other current assets.....	2,953,815	154,729	54,336	421,491	894,560	198,163	174,077	382,699	673,760	7,951
Loans to stockholders.....	1,289,294	78,888	*16,817	110,699	424,958	30,460	53,116	387,319	187,039	*1,804
Mortgage and real estate loans.....	234,454	70,571	*366	*5,858	51,961	*19,878	*8,237	40,273	37,309	*7,036
Other investments.....	2,845,741	305,634	95,476	345,307	657,241	84,943	160,063	515,725	681,352	*3,028
Depreciable assets.....	43,883,105	2,354,316	798,753	8,564,856	8,966,696	1,218,820	2,150,619	13,681,366	8,149,679	160,728
Less: Accumulated depreciation.....	24,256,384	1,394,307	447,799	3,467,878	4,705,701	676,059	1,074,619	7,614,956	4,875,064	77,536
Depletable assets.....	*17,649	*5,558	-	*8,196	*665	-	-	*3,224	*5	-
Less: Accumulated depletion.....	*9,189	*4,123	-	*1,626	*211	-	-	*3,224	*4	-
Land.....	2,997,967	246,741	58,991	387,143	999,917	16,204	104,521	824,586	359,865	*231
Intangible assets (amortizable).....	2,527,106	19,040	72,637	184,819	402,091	16,992	31,259	1,224,398	575,868	*1,686
Less: Accumulated amortization.....	1,169,631	8,079	24,601	98,105	202,244	8,713	11,530	496,426	319,933	*669
Other assets.....	2,181,474	89,641	40,058	260,587	576,679	70,572	58,533	610,182	475,222	*540
Total liabilities.....	93,685,660	6,628,392	2,235,266	8,588,166	34,783,127	3,439,360	5,861,853	12,356,543	19,792,952	390,221
Accounts payable.....	12,630,496	1,087,291	492,809	1,531,469	2,670,353	598,398	1,011,688	1,142,325	4,096,163	112,787
Mortgages, notes, and bonds payable in less than one year.....	21,025,301	748,549	161,199	496,614	16,253,581	237,814	464,498	775,124	1,887,923	*58,159
Other current liabilities.....	6,401,774	322,213	126,122	580,075	1,969,398	239,128	1,091,370	1,091,840	1,462,629	19,917
Loans from stockholders.....	5,845,917	429,898	40,950	634,632	1,774,390	251,160	212,540	1,003,698	1,498,648	*16,591
Mortgages, notes, and bonds payable in one year or more.....	14,525,514	802,931	313,916	1,805,553	3,947,469	484,033	816,062	4,114,199	2,241,350	*19,142
Other liabilities.....	1,080,191	77,553	17,747	116,135	292,154	24,433	121,270	167,863	263,037	*0
Capital stock.....	4,126,546	271,440	49,255	328,454	1,403,109	126,912	240,126	878,636	828,613	3,206
Paid-in or capital surplus.....	3,799,608	175,654	109,490	217,071	1,181,112	230,836	232,717	901,566	751,162	27,010
Retained earnings, unappropriated.....	25,683,852	2,807,164	945,190	3,043,406	5,751,760	1,265,178	2,233,146	2,534,374	7,103,634	133,409
Less: Cost of treasury stock.....	1,433,539	94,302	*21,411	165,242	460,200	*18,531	80,564	253,083	340,207	-
Total receipts.....	366,333,038	19,536,989	6,590,741	46,320,806	164,245,654	9,710,227	14,171,908	45,021,061	60,735,652	1,198,825
Business receipts.....	361,545,057	19,341,458	6,535,686	45,852,269	161,948,610	9,616,586	13,903,992	44,425,339	59,921,117	1,139,936
Interest on Government obligations:										
State and local.....	20,849	*625	*59	6,683	2,355	*240	*3,424	1,448	6,015	*409
Net gain, noncapital assets.....	407,719	43,082	*264	29,076	80,021	*711	16,417	175,199	62,949	*128
Other receipts.....	4,359,413	151,824	54,731	432,778	2,214,669	92,690	248,074	419,075	745,572	58,353
Total deductions.....	354,938,950	18,765,703	6,315,472	45,214,618	161,783,422	9,235,970	13,476,606	42,705,179	57,441,979	1,142,776
Cost of sales and operations.....	265,482,636	13,872,397	4,362,794	35,427,071	140,563,521	6,067,901	8,654,313	17,000,261	39,534,377	835,356
Compensation of officers.....	7,504,332	559,691	163,924	561,095	1,733,737	276,410	441,114	1,784,577	1,983,784	*42,593
Repairs.....	1,741,820	106,067	25,453	243,444	361,635	35,570	82,148	651,562	235,940	4,526
Bad debts.....	440,212	54,932	8,172	26,664	129,017	16,442	63,476	22,771	118,737	*2,417
Rent paid on business property.....	8,582,528	330,200	242,962	741,332	1,644,296	477,556	519,233	2,913,297	1,713,651	*18,462
Taxes paid.....	6,041,724	376,979	137,140	661,656	1,393,816	181,815	280,885	1,989,225	1,020,209	13,436
Interest paid.....	2,418,185	148,371	45,817	204,210	916,657	71,890	108,506	516,692	406,042	7,555
Amortization.....	297,799	3,855	3,818	30,401	76,654	5,089	6,539	105,568	65,874	*54
Depreciation.....	3,336,750	164,054	54,641	470,910	734,673	85,419	181,204	999,931	645,919	19,213
Depletion.....	*1,975	*1,975	*0	-	-	-	-	-	-	-
Advertising.....	5,738,477	265,968	129,094	403,508	1,510,968	280,034	547,622	1,474,631	1,126,652	*14,361
Pension, profit-sharing, stock bonus, and annuity plans.....	442,586	44,920	6,255	76,756	100,001	14,721	16,933	34,404	148,597	*2,172
Employee benefit programs.....	1,624,341	105,175	31,652	265,312	575,999	46,350	67,942	266,827	265,084	*2,956
Net loss, noncapital assets.....	35,186	*83	*170	*3,067	1,655	*1,601	*449	*2,267	25,895	-
Other deductions.....	51,250,398	2,731,035	1,103,579	6,099,192	12,040,793	1,675,171	2,506,244	14,943,166	10,151,218	179,673
Total receipts less total deductions.....	11,394,089	771,286	275,269	1,106,188	2,462,232	474,257	695,302	2,315,882	3,293,673	56,049
Net income.....	11,373,240	770,661	275,210	1,099,505	2,459,878	474,017	691,878	2,314,434	3,287,659	55,640
Income subject to tax.....	23,380	*31	-	*4,296						

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120S

Table 15—Balance Sheet and Income Statement, by Major Industry—Continued

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

Item	Major industry—Continued							
	Finance, insurance, and real estate							
	Total	Banking	Credit agencies other than banks	Security, commodity brokers and services	Insurance	Insurance agents, brokers, and service	Real estate	Holding and other investment companies, except bank holding companies
	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)
Number of returns, total.....	92,792	*21	5,527	5,364	1,537	22,897	54,705	2,741
Total assets.....	49,714,661	*195,272	10,152,153	5,190,493	361,980	5,036,221	25,719,800	3,058,743
Cash.....	5,750,317	*56,777	660,156	800,302	108,658	1,658,268	2,233,413	232,742
Notes and accounts receivable.....	8,632,408	*44,313	3,666,816	1,188,651	*28,343	1,425,538	2,000,744	278,003
Less: Allowance for bad debts.....	113,236	*366	52,910	*785	*120	5,666	53,388	-
Inventories.....	4,221,500	-	-	-	-	-	4,220,913	*587
Investments in Government obligations.....	960,462	*6,183	*5,083	835,128	-	*10	101,364	*12,694
Tax-exempt securities.....	144,000	*1,145	*16,864	*65,806	-	*3,733	*36,159	*20,292
Other current assets.....	5,007,029	*71,799	1,222,600	871,948	*46,960	349,451	2,302,970	141,302
Loans to stockholders.....	988,232	-	63,373	32,556	*8,030	271,830	555,799	56,644
Mortgage and real estate loans.....	4,237,867	-	2,755,285	-	-	*52,588	1,401,304	*28,690
Other investments.....	8,020,666	*219	1,441,504	1,043,721	*58,483	376,058	3,011,364	2,089,318
Depreciable assets.....	10,663,915	*24,018	386,848	463,667	*140,724	1,332,051	8,147,829	168,778
Less: Accumulated depreciation.....	4,208,585	*11,414	191,491	246,789	*75,890	797,029	2,822,063	63,910
Depletable assets.....	90,105	-	-	55,330	-	*10,380	*24,306	*89
Less: Accumulated depletion.....	*49,725	-	-	38,067	-	*5,396	*6,174	*89
Land.....	3,247,394	*454	11,509	*13,010	*9,202	42,018	3,094,915	76,286
Intangible assets (amortizable).....	696,507	*156	121,048	11,188	*5,846	254,978	293,541	9,749
Less: Accumulated amortization.....	279,415	*29	65,926	4,846	*1,573	95,570	108,229	3,243
Other assets.....	1,705,221	*2,016	111,392	99,673	*33,316	162,979	1,285,034	10,810
Total liabilities.....	49,714,661	*195,272	10,152,153	5,190,493	361,980	5,036,221	25,719,800	3,058,743
Accounts payable.....	4,651,960	*1,270	412,118	1,229,370	*35,824	1,768,497	1,157,563	47,318
Mortgages, notes, and bonds payable in less than one year.....	7,587,806	*97,932	3,717,662	419,477	*12,364	219,011	3,039,358	82,004
Other current liabilities.....	4,248,023	*59,508	553,141	1,419,082	*82,476	713,824	1,291,768	128,224
Loans from stockholders.....	3,998,876	*11,744	373,694	76,304	*12,415	217,570	3,043,649	263,500
Mortgages, notes, and bonds payable in one year or more.....	11,930,565	*2,853	3,180,128	243,010	*53,338	453,273	7,540,616	457,348
Other liabilities.....	1,978,035	*4,486	230,309	103,663	*8,786	102,523	1,427,251	101,016
Capital stock.....	2,494,936	*2,516	495,472	329,799	48,974	128,856	1,397,745	91,574
Paid-in or capital surplus.....	5,742,690	*1,160	413,704	350,745	*18,078	202,410	3,619,891	1,138,702
Retained earnings, unappropriated.....	7,401,165	*13,803	787,887	1,076,515	91,725	1,341,269	3,303,588	786,379
Less: Cost of treasury stock.....	319,395	-	*11,961	57,472	-	111,012	101,629	*37,321
Total receipts.....	43,912,686	*52,105	4,176,171	4,925,733	587,776	9,140,941	23,638,681	1,391,278
Business receipts.....	40,599,687	*48,122	3,551,264	4,552,065	584,776	8,999,357	22,057,907	806,197
Interest on Government obligations:								
State and local.....	29,227	*67	*722	12,184	*591	6,569	7,040	2,055
Net gain, noncapital assets.....	133,216	*9	40,319	646	*19	5,518	82,944	*3,761
Other receipts.....	3,150,555	*3,908	583,866	360,838	*2,390	129,497	1,490,790	579,266
Total deductions.....	36,528,047	*44,201	3,433,324	4,144,074	515,423	7,690,089	19,865,864	835,073
Cost of sales and operations.....	11,494,408	-	126,772	*553,271	*56,705	1,778,265	8,864,904	*114,491
Compensation of officers.....	4,201,848	*1,084	380,715	868,727	*68,575	1,128,594	1,508,252	245,900
Repairs.....	167,021	*280	14,135	7,771	*6,080	42,553	93,251	*2,951
Bad debts.....	142,171	*643	75,065	17,119	*165	18,401	30,490	*289
Rent paid on business property.....	1,050,172	*2,904	121,496	129,771	*26,419	267,145	482,344	20,092
Taxes paid.....	1,029,372	*1,679	107,002	134,264	20,788	247,858	494,010	23,791
Interest paid.....	1,051,238	*6,196	412,029	56,269	*5,136	74,115	466,442	31,051
Amortization.....	95,326	*4	25,015	3,012	*500	32,876	33,150	789
Depreciation.....	427,101	*1,973	39,844	55,902	*9,309	96,708	214,780	8,585
Depletion.....	*5,007	-	-	-	-	-	*5,007	-
Advertising.....	522,426	*252	60,103	35,164	*4,809	101,100	317,088	*3,910
Pension, profit-sharing, stock bonus, and annuity plans.....	244,874	*233	16,973	43,746	*1,818	87,461	74,007	*20,637
Employee benefit programs.....	301,858	*99	28,921	43,631	*13,478	98,640	106,790	10,298
Net loss, noncapital assets.....	8,337	-	1,896	-	-	*1,485	4,956	-
Other deductions.....	15,786,891	*28,855	2,023,359	2,195,427	301,662	3,714,887	7,170,391	352,310
Total receipts less total deductions.....	7,384,639	*7,904	742,847	781,659	72,353	1,450,852	3,772,817	556,206
Net income.....	7,355,411	*7,837	742,125	769,475	71,762	1,444,284	3,765,777	554,151
Income subject to tax.....	11,582	-	*785	*130	*360	-	*2,219	*8,088
Income tax, total ?.....	4,573	-	*267	*44	-	*122	*1,389	*2,750

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120S

Table 15--Balance Sheet and Income Statement, by Major Industry--Continued

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

Item	Major industry--Continued							Nature of business not allocable
	Services							
	Total	Hotels and other lodging places	Personal services	Business services	Auto repair, miscellaneous repair services	Amusement and recreation services	Other services	
	(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)
Number of returns, total.....	338,117	6,275	25,708	100,402	38,667	22,269	144,797	2,994
Total assets.....	71,474,439	6,602,950	3,362,823	23,230,506	7,043,650	9,049,141	22,185,368	378,703
Cash.....	11,036,843	426,748	432,777	3,754,278	951,312	1,283,413	4,208,115	45,242
Notes and accounts receivable.....	12,576,041	229,400	483,602	6,118,874	819,759	729,267	4,195,137	*9,813
Less: Allowance for bad debts.....	225,004	*689	*5,157	86,149	10,970	13,987	108,072	-
Inventories.....	2,771,527	42,671	134,586	886,588	790,020	433,835	483,827	*84,729
Investments in Government obligations.....	188,213	*6,984	-	126,915	*306	*8,198	45,810	5,408
Tax-exempt securities.....	319,504	*3,518	*38,182	188,628	*189	*21,065	67,942	1,005
Other current assets.....	3,629,944	83,475	206,625	1,451,867	251,785	398,293	1,237,900	*25,175
Loans to stockholders.....	2,476,027	142,351	43,604	795,344	184,138	248,244	1,062,345	*4,098
Mortgage and real estate loans.....	324,349	*34,519	*46,078	87,349	*29,539	*54,300	*72,563	-
Other investments.....	4,868,776	306,886	130,898	2,373,262	100,593	467,269	1,489,868	*19,369
Depreciable assets.....	55,807,129	7,520,239	3,333,357	13,469,556	6,058,906	8,682,182	16,742,889	121,721
Less: Accumulated depreciation.....	29,355,060	3,236,046	2,006,392	7,736,909	2,645,453	4,590,339	8,139,821	*77,003
Depletable assets.....	69,104	-	-	*7,791	-	*230	*61,083	-
Less: Accumulated depletion.....	30,839	-	-	*3,182	-	-	*27,457	-
Land.....	2,849,018	859,608	162,270	359,187	340,086	606,761	521,106	*24,619
Intangible assets (amortizable).....	3,526,213	92,641	203,321	737,483	77,274	1,546,052	869,441	-
Less: Accumulated amortization.....	2,280,331	43,131	101,194	352,223	34,653	1,293,904	455,225	-
Other assets.....	2,922,984	133,757	260,284	1,051,847	130,817	488,261	858,017	*114,527
Total liabilities.....	71,474,439	6,602,950	3,362,823	23,230,506	7,043,650	9,049,141	22,185,368	378,703
Accounts payable.....	5,920,881	176,367	221,995	3,044,838	557,931	523,543	1,396,207	*87,156
Mortgages, notes, and bonds payable in less than one year.....	7,098,403	504,786	207,206	2,128,481	1,865,555	538,045	1,854,330	*23,993
Other current liabilities.....	7,856,155	238,016	228,092	2,940,951	493,448	1,091,693	2,863,955	*59,836
Loans from stockholders.....	6,208,214	403,861	484,193	1,934,231	523,842	854,110	2,007,977	*29,955
Mortgages, notes, and bonds payable in one year or more.....	17,529,736	3,969,408	738,518	3,714,799	1,377,612	2,339,317	5,390,082	*456
Other liabilities.....	2,787,836	51,239	216,326	1,108,083	87,508	559,549	765,131	*54,202
Capital stock.....	3,113,203	331,877	297,790	740,804	283,518	557,490	901,725	12,520
Paid-in or capital surplus.....	4,668,569	417,611	154,696	1,236,009	243,710	1,304,610	1,311,933	*11,394
Retained earnings, unappropriated.....	17,764,097	714,197	853,312	6,790,428	1,720,364	1,485,028	6,200,768	104,628
Less: Cost of treasury stock.....	1,472,655	204,411	*39,304	408,118	109,837	204,245	506,741	*5,437
Total receipts.....	193,377,199	7,695,287	10,078,278	69,336,428	17,419,976	16,473,962	72,373,268	1,306,148
Business receipts.....	188,233,166	7,482,376	9,988,957	67,336,323	16,953,902	15,890,589	70,581,020	1,263,801
Interest on Government obligations:								
State and local.....	31,561	*1,191	*1,161	17,994	*487	1,631	9,097	-
Net gain, noncapital assets.....	774,756	6,486	43,985	195,885	329,383	80,741	118,276	*14,315
Other receipts.....	4,337,717	205,235	44,175	1,786,226	136,204	501,001	1,664,875	*28,031
Total deductions.....	174,882,340	7,242,751	9,423,645	62,923,688	16,322,122	14,532,012	64,438,123	1,209,081
Cost of sales and operations.....	57,418,006	889,246	3,505,365	26,730,141	8,415,580	3,860,626	14,017,048	*831,753
Compensation of officers.....	18,912,833	166,974	866,398	5,790,622	963,708	1,099,740	10,025,390	*42,582
Repairs.....	1,610,754	217,635	115,760	336,764	139,515	279,295	521,786	*3,580
Bad debts.....	457,558	6,335	27,867	143,818	24,351	16,377	238,809	*1,340
Rent paid on business property.....	7,051,113	201,180	639,722	1,780,795	674,340	795,922	2,979,152	*26,266
Taxes paid.....	7,244,843	465,056	377,422	2,539,120	568,822	715,826	2,578,596	16,086
Interest paid.....	2,366,111	396,736	105,428	535,753	281,645	300,455	746,094	*5,327
Amortization.....	819,438	13,865	22,346	109,449	19,823	525,646	128,309	*2,004
Depreciation.....	4,788,519	370,890	260,401	1,333,744	877,415	687,071	1,258,998	12,453
Depletion.....	*9631	-	-	*680	-	*176	*8,776	-
Advertising.....	2,157,259	190,756	123,247	601,456	218,968	311,892	710,939	23,573
Pension, profit-sharing, stock bonus, and annuity plans.....	1,130,498	12,755	50,910	342,711	34,019	56,192	633,911	*7,519
Employee benefit programs.....	2,290,304	355,512	76,559	685,374	157,914	112,036	902,909	*3,595
Net loss, noncapital assets.....	17,998	*285	-	10,806	*621	*343	5,943	-
Other deductions.....	68,607,476	3,955,525	3,252,222	22,002,455	3,945,399	5,770,412	29,681,462	233,002
Total receipts less total deductions.....	18,494,860	452,537	654,633	6,412,740	1,097,854	1,941,950	7,935,145	97,067
Net income.....	18,463,299	451,346	653,472	6,394,746	1,097,367	1,940,320	7,926,048	97,067
Income subject to tax.....	35,479	*1,671	*354	20,323	-	*2,102	11,028	-
Income tax, total *.....	12,015	*568	*120	6,910	*16	*715	3,686	-

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

* Less than \$500 per return.

* Also includes excess net passive income tax (Form 1120S), and adjustments to income tax and to total tax which are not shown separately.

NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120

Table 16--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry

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

Item	Major industry						
	All Industries	Agriculture, forestry, and fishing	Mining				Nonmetallic minerals, except fuels
			Total	Metal mining	Coal mining	Oil and gas extraction	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of returns, total.....	1,782,934	63,422	18,910	1,349	1,351	14,584	1,627
Total assets.....	15,823,572,886	47,684,286	206,054,715	30,968,042	18,151,558	142,936,600	13,998,515
Cash.....	680,347,315	3,109,951	6,926,239	1,425,875	468,446	4,370,679	661,239
Notes and accounts receivable.....	3,878,462,318	4,607,920	17,672,665	2,343,709	2,833,193	11,017,225	1,478,539
Less: Allowance for bad debts.....	115,640,918	50,820	208,920	8,904	21,860	140,895	37,260
Inventories.....	759,604,602	6,080,804	6,131,649	1,254,918	916,653	3,072,077	888,000
Investments in Government obligations.....	850,286,681	158,422	850,241	*79,120	*97,686	544,147	*129,288
Tax-exempt securities.....	233,135,853	117,185	257,962	*5,269	*107,381	104,243	*41,069
Other current assets.....	1,068,544,233	1,810,337	7,780,847	1,823,631	798,815	4,393,107	765,295
Loans to stockholders.....	70,668,669	1,235,038	781,058	294,401	24,232	421,618	40,807
Mortgage and real estate loans.....	1,349,808,372	315,878	130,930	656	*1,088	120,523	*8,664
Other investments.....	2,985,726,022	4,484,362	77,876,575	10,928,538	3,031,076	60,415,713	3,501,248
Depreciable assets.....	4,272,483,931	34,198,094	102,198,689	13,047,143	11,928,053	67,517,528	9,705,965
Less: Accumulated depreciation.....	1,892,425,958	21,408,990	49,924,271	5,181,794	6,659,897	32,605,096	5,477,484
Depletable assets.....	126,964,731	553,989	38,823,377	3,198,069	2,005,835	32,567,910	1,051,563
Less: Accumulated depletion.....	58,834,527	155,282	17,366,521	1,005,652	508,726	15,733,303	118,840
Land.....	171,952,006	10,492,766	3,307,145	376,380	846,618	1,405,208	678,939
Intangible assets (amortizable).....	501,546,760	363,708	7,280,951	1,166,528	1,590,587	4,174,895	348,941
Less: Accumulated amortization.....	112,204,754	92,800	2,969,960	401,893	457,024	1,965,370	45,673
Other assets.....	1,053,147,550	1,863,724	6,506,058	1,622,049	1,249,402	3,256,391	378,216
Total liabilities.....	15,823,572,886	47,684,286	206,054,715	30,968,042	18,151,558	142,936,600	13,998,515
Accounts payable.....	1,439,792,975	3,006,067	12,020,852	2,333,496	1,294,111	7,403,123	990,122
Mortgages, notes, and bonds payable in less than one year.....	1,416,594,816	6,973,693	10,643,473	1,532,431	513,383	6,798,491	1,799,168
Other current liabilities.....	4,906,166,188	2,301,192	10,011,977	1,543,400	1,322,236	6,228,054	918,287
Loans from stockholders.....	210,380,509	2,859,588	3,137,696	908,102	247,251	1,810,016	172,327
Mortgages, notes, and bonds payable in one year or more.....	2,517,848,481	10,903,146	47,397,128	5,347,550	4,551,646	35,041,882	2,456,050
Other liabilities.....	1,875,141,192	2,506,649	21,597,323	3,620,512	4,510,551	12,695,682	770,579
Capital stock.....	629,390,564	5,574,357	10,329,580	2,083,763	579,078	6,828,869	837,870
Paid-in or capital surplus.....	1,835,311,420	5,385,691	105,059,332	14,259,327	6,161,425	81,924,247	2,714,334
Retained earnings, appropriated.....	30,315,740	172,580	164,962	14,764	*44	*92,056	*58,098
Retained earnings, unappropriated.....	1,157,776,254	9,252,515	-9,909,291	-538,494	-749,909	-12,467,093	3,846,205
Less: Cost of treasury stock.....	195,145,251	1,251,191	4,398,318	136,810	278,527	3,418,728	564,524
Total receipts.....	9,232,020,631	62,022,300	100,049,587	10,425,448	14,892,668	65,162,756	9,568,715
Business receipts.....	8,168,277,553	57,503,930	90,404,398	9,614,638	13,512,878	58,243,101	9,033,781
Interest.....	607,842,670	479,361	2,657,213	276,758	247,377	1,965,638	167,441
Interest on Government obligations:							
State and local.....	17,112,700	19,924	23,978	*1,082	6,505	14,814	1,576
Rents.....	88,047,470	531,911	374,380	14,421	39,911	248,910	71,138
Royalties.....	41,360,151	89,963	485,217	51,262	136,336	274,511	23,108
Net short-term capital gain reduced by net long-term capital loss.....	5,033,969	14,429	74,459	111	*12,999	60,142	*1,207
Net long-term capital gain reduced by net short-term capital loss.....	37,544,199	655,250	1,074,140	69,020	234,313	739,770	31,037
Net gain, noncapital assets.....	28,067,307	322,449	662,288	41,278	65,530	497,493	57,987
Dividends received from domestic corporations.....	10,524,825	83,382	211,377	28,623	18,048	143,652	21,053
Dividends received from foreign corporations.....	28,842,932	59,577	228,044	34,677	12,501	169,376	*11,491
Other receipts.....	199,366,855	2,262,124	3,854,093	293,578	606,269	2,805,350	148,896
Total deductions.....	9,967,094,801	60,714,857	98,125,200	10,171,278	14,548,371	64,165,832	9,239,719
Cost of sales and operations.....	5,303,711,092	35,055,050	61,482,292	6,032,228	10,135,027	39,675,130	5,639,906
Compensation of officers.....	140,323,907	1,983,073	1,229,963	60,046	94,814	903,970	171,133
Repairs.....	82,788,564	1,145,183	749,531	92,628	179,385	260,504	217,014
Bad debts.....	80,292,838	183,420	263,486	21,116	30,595	182,126	29,648
Rent paid on business property.....	153,690,695	1,672,941	937,209	37,429	97,654	706,589	95,537
Taxes paid.....	224,328,755	1,493,264	2,819,382	268,261	759,737	1,487,125	304,258
Interest paid.....	533,567,735	1,594,652	4,843,062	606,419	406,735	3,489,192	340,716
Contributions or gifts.....	5,420,778	31,476	51,199	5,504	3,798	33,535	8,362
Amortization.....	32,180,990	80,775	548,951	184,504	80,242	252,507	31,697
Depreciation.....	309,318,669	2,350,432	5,229,305	900,542	530,734	3,171,619	626,409
Depletion.....	8,727,817	104,817	2,837,229	691,239	455,657	1,494,931	195,401
Advertising.....	114,865,560	287,676	96,890	4,622	8,285	64,686	19,297
Pension, profit-sharing, stock bonus, and annuity plans.....	48,535,685	136,193	440,436	20,851	63,612	292,245	63,728
Employee benefit programs.....	125,948,315	583,535	1,206,117	63,959	294,877	679,746	167,534
Net loss, noncapital assets.....	17,016,846	137,080	409,086	34,486	14,779	342,467	17,354
Other deductions.....	1,786,376,353	13,875,290	14,981,064	1,147,444	1,392,438	11,129,458	1,311,724
Total receipts less total deductions.....	264,926,031	1,307,444	1,924,387	254,171	344,296	996,924	328,996
Constructive taxable income from related foreign corporations.....	28,072,786	*90,860	208,858	15,667	1	192,581	609
Net income (less deficit), total.....	275,886,116	1,378,380	2,109,267	268,756	337,791	1,174,691	328,029
Income subject to tax.....	355,526,339	1,963,771	4,230,807	681,191	562,682	2,601,060	385,874
Income tax, total ²	123,433,549	554,405	1,648,972	294,103	245,491	957,229	152,150
Regular tax.....	118,348,863	533,354	1,420,805	232,473	190,031	872,055	126,246
Personal holding company tax.....	20,425	-	*542	-	-	*542	-
Recapture of investment credit.....	23,199	-	*6	-	-	*6	-
Alternative minimum tax.....	4,610,704	19,317	221,068	60,073	54,491	80,170	26,333
Environmental tax.....	467,525	1,015	7,328	1,509	1,193	4,042	585
Foreign tax credit.....	21,399,397	42,801	599,700	132,853	3,686	456,890	*6,272
U.S. possessions tax credit.....	3,748,561	3,944	-	-	-	-	-
Orphan drug credit.....	17,826	-					

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120

Table 16—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major Industry—Continued								
	Construction				Manufacturing				
	Total	General building contractors and operative builders	Heavy construction contractors	Special trade contractors	Total	Food and kindred products	Tobacco manufactures	Textile mill products	Apparel and other textile products
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
Number of returns, total.....	204,028	83,083	10,832	110,113	166,521	9,059	73	2,694	***
Total assets.....	162,725,519	76,363,175	40,736,742	45,625,603	3,960,285,844	334,988,191	201,989,634	45,080,842	***
Cash.....	16,498,579	7,120,938	3,813,785	5,563,856	96,181,065	6,984,466	698,883	959,251	***
Notes and accounts receivable.....	45,228,960	18,254,071	9,013,169	17,961,721	856,629,778	87,691,244	54,908,213	8,207,512	***
Less: Allowance for bad debts.....	499,484	174,385	118,524	206,575	20,447,342	736,126	175,969	219,176	***
Inventories.....	16,794,564	11,194,827	1,533,767	4,065,971	336,517,653	29,609,500	9,375,147	7,574,913	***
Investments in Government obligations.....	1,296,419	757,379	470,924	68,116	30,632,632	2,208,887	117,554	742,699	***
Tax-exempt securities.....	1,159,986	75,168	945,746	139,072	17,546,479	455,351	471,262	*55,079	***
Other current assets.....	15,915,881	9,346,044	2,688,627	3,881,211	191,018,636	11,861,597	2,951,595	983,335	***
Loans to stockholders.....	3,430,331	1,212,243	1,227,488	990,581	18,873,711	1,203,549	95,657	430,430	***
Mortgage and real estate loans.....	6,343,259	6,073,410	75,402	194,448	29,449,532	762,925	544,113	*13,957	***
Other investments.....	20,274,629	9,171,043	9,138,139	1,965,447	984,258,291	73,729,782	73,991,043	5,933,869	***
Depreciable assets.....	67,060,763	17,241,701	23,695,406	26,123,657	1,710,521,169	121,302,945	20,606,550	26,356,605	***
Less: Accumulated depreciation.....	41,577,026	9,282,774	14,992,400	17,301,852	864,297,045	53,716,175	7,890,000	13,642,250	***
Depletable assets.....	436,928	*123,432	253,270	60,225	72,147,524	*81,957	-	24,596	***
Less: Accumulated depletion.....	149,693	*44,062	68,768	36,863	35,152,740	*19,111	-	1,707	***
Land.....	4,687,151	2,855,626	945,609	885,916	44,412,916	5,241,928	591,231	370,272	***
Intangible assets (amortizable).....	1,417,558	522,107	259,252	636,199	278,120,001	33,389,188	40,442,163	2,200,981	***
Less: Accumulated amortization.....	396,267	146,994	72,729	176,545	63,628,922	3,552,562	4,391,701	682,291	***
Other assets.....	4,803,000	2,063,403	1,928,579	811,019	277,502,504	18,486,845	9,652,894	5,772,579	***
Total liabilities.....	162,725,519	76,363,175	40,736,742	45,625,603	3,960,285,844	334,988,191	201,989,634	45,080,842	***
Accounts payable.....	30,509,549	15,658,921	5,151,629	9,698,909	426,497,880	73,864,156	24,878,833	4,221,836	***
Mortgages, notes, and bonds payable in less than one year.....	17,875,541	10,427,182	2,484,630	4,963,730	354,028,555	26,875,048	*6,353,767	4,403,125	***
Other current liabilities.....	22,046,802	11,414,684	3,811,332	6,820,786	343,567,681	21,684,171	11,439,413	3,367,868	***
Loans from stockholders.....	6,127,237	3,178,308	919,869	2,029,061	73,016,419	4,313,453	14,249,724	445,148	***
Mortgages, notes, and bonds payable in one year or more.....	26,237,424	16,011,315	5,197,099	5,029,010	847,475,062	71,851,374	56,461,123	11,248,607	***
Other liabilities.....	10,158,643	4,045,589	4,485,479	1,627,575	569,274,445	25,606,559	17,521,376	4,881,924	***
Capital stock.....	6,361,879	2,464,193	1,873,560	2,024,126	176,888,904	15,019,680	3,512,912	1,742,986	***
Paid-in or capital surplus.....	15,488,800	4,792,936	7,963,587	2,732,277	726,926,112	52,976,336	54,432,436	7,462,332	***
Retained earnings, appropriated.....	313,582	162,502	*21,891	129,189	6,309,618	735,553	123,381	54,230	***
Retained earnings, unappropriated.....	30,660,294	9,244,639	9,662,568	11,753,086	551,157,113	59,676,216	16,945,177	7,651,398	***
Less: Cost of treasury stock.....	3,054,143	1,037,094	834,902	1,182,147	114,855,944	17,616,356	3,929,557	398,811	***
Total receipts.....	327,994,370	142,181,038	58,891,080	127,142,255	3,429,546,232	360,177,883	79,441,400	54,278,278	***
Business receipts.....	318,872,139	137,637,689	56,096,228	125,138,221	3,186,625,720	344,248,335	71,562,500	52,982,289	***
Interest.....	2,446,212	1,569,596	548,409	328,207	73,809,545	3,683,518	4,616,968	455,462	***
Interest on Government obligations:									
State and local.....	95,172	47,583	27,240	20,349	1,601,994	47,776	7,414	11,975	***
Rents.....	1,000,823	615,788	206,717	178,318	35,110,030	990,407	880,623	120,275	***
Royalties.....	50,420	7,771	34,256	8,393	32,609,821	2,788,645	570,660	120,383	***
Net short-term capital gain reduced by net long-term capital loss.....	56,431	22,439	22,854	11,137	827,301	46,652	887	6,603	***
Net long-term capital gain reduced by net short-term capital loss.....	634,008	260,878	174,037	199,092	11,009,887	658,599	34,047	49,847	***
Net gain, noncapital assets.....	638,187	183,672	248,294	206,220	8,783,347	253,764	26,061	71,028	***
Dividends received from domestic corporations.....	112,049	30,107	52,292	29,650	3,730,969	581,246	42,604	15,830	***
Dividends received from foreign corporations.....	134,881	28,688	103,068	3,125	23,997,713	2,316,354	885,585	76,953	***
Other receipts.....	3,954,049	1,756,823	1,177,684	1,019,542	51,439,906	4,562,567	814,050	365,631	***
Total deductions.....	326,767,298	141,795,174	57,979,941	126,992,182	3,317,963,658	348,060,821	72,911,829	52,367,949	***
Cost of sales and operations.....	248,088,314	115,300,789	44,787,437	88,000,088	2,176,675,229	232,226,008	34,224,068	38,531,852	***
Compensation of officers.....	11,412,854	3,873,286	1,098,017	6,441,550	28,563,002	2,180,270	380,809	542,576	***
Repairs.....	1,455,400	325,657	424,468	705,274	29,207,063	2,730,775	174,628	201,002	***
Bad debts.....	824,961	341,111	100,771	383,079	10,997,212	452,682	84,224	159,743	***
Rent paid on business property.....	3,340,229	941,397	701,905	1,696,928	34,742,646	2,952,878	447,286	444,756	***
Taxes paid.....	7,090,720	1,987,788	1,055,776	4,047,156	86,617,865	8,529,124	4,561,140	1,250,002	***
Interest paid.....	4,082,055	2,186,379	820,090	1,075,586	124,241,715	9,904,325	8,550,701	1,828,323	***
Contributions or gifts.....	107,328	40,820	31,084	35,425	2,542,948	333,038	*137,444	45,445	***
Amortization.....	173,418	67,794	28,933	76,690	12,085,738	1,354,545	358,447	163,111	***
Depreciation.....	5,519,603	1,273,768	1,843,298	2,402,538	121,074,992	8,467,895	2,579,470	1,829,406	***
Depletion.....	40,953	6,554	25,975	8,424	4,334,694	13,311	26	2,432	***
Advertising.....	1,001,751	345,146	57,369	599,235	59,187,503	15,983,075	6,186,118	414,214	***
Pension, profit-sharing, stock bonus, and annuity plans.....	1,510,437	373,654	277,086	859,697	24,913,459	1,382,976	370,522	340,824	***
Employee benefit programs.....	3,070,190	869,601	489,819	1,710,770	58,598,927	4,730,601	1,188,273	823,048	***
Net loss, noncapital assets.....	275,927	162,949	45,682	67,296	3,042,578	182,618	*3,847	24,855	***
Other deductions.....	38,773,157	13,698,481	6,192,333	18,882,443	541,138,087	54,636,701	13,664,826	5,766,361	***
Total receipts less total deductions.....	1,227,072	365,862	711,138	150,072	111,582,577	14,117,042	6,529,571	1,908,328	***
Constructive taxable income from related foreign corporations.....	143,793	22,111	120,252	*1,430	18,899,805	1,834,534	640,849	31,284	***
Net income (less deficit), total.....	1,275,693	340,390	804,150	131,153	128,880,387	15,903,801	7,163,007	1,927,637	***
Income subject to tax.....	5,195,842	1,974,757	1,256,286	1,964,799	151,626,391	16,781,864	6,906,630	2,203,930	***
Income tax, total.....	1,537,303	580,605	443,215	513,482	53,334,888	5,898,816	2,416,596	778,807	***
Regular tax.....	1,446,152	556,198	401,967	487,988	51,291,243	5,699,937	2,347,764	746,108	***
Personal holding company tax.....	*76	-	-	-	*231	-	-	-	***
Recapture of investment credit.....	326	*235	*40	51	3,914	474	83	(1)	***
Alternative minimum tax.....	79,843	19,854	36,455	23,534	1,821,850	177,194	59,390	29,724	***
Environmental tax.....	2,333	949	1,211	173	199,689	20,738	9,976	2,976	***
Foreign tax credit.....	88,527	32,782	52,753	*2,993	15,358,288	1,283,299	377,791	31,006	***
U.S. possessions tax credit.....	2,596	879	1,251	467	3,619,287	525,965	29,193	1,816	***
Orphan drug credit.....	-	-	-	-	17,826	-	-	-	***
Nonconventional source fuel credit.....	*397	*273	*124	-	134,312	*11	-	-	***
General business credit.....	26,767	7,850	11,604	7,312	943,231	52,323	*2,979	17,057	***
Prior year minimum tax credit.....	55,350	22,406	14,164	18,780	444,728	61,194	-	17,384	***
Total income tax after credits.....	1,363,665	516,414	363,320	483,931	32,817,217	3,976,023	2,006,632	711,543	***

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120

Table 16—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued								
	Manufacturing—Continued								
	Lumber and wood products	Furniture and fixtures	Paper and allied products	Printing and publishing	Chemicals and allied products	Petroleum (including integrated) and coal products	Rubber and miscellaneous plastics products	Leather and leather products	Stone, clay, and glass products
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
Number of returns, total.....	10,257	7,834	***	27,538	***	1,200	6,415	842	***
Total assets.....	57,862,187	17,732,312	***	181,374,992	***	605,956,148	50,774,521	16,514,437	***
Cash.....	1,717,573	651,645	***	5,290,303	***	3,058,292	1,373,400	262,215	***
Notes and accounts receivable.....	4,993,104	4,282,142	***	25,674,683	***	74,947,146	9,416,724	4,119,299	***
Less: Allowance for bad debts.....	116,553	151,825	***	2,263,014	***	788,937	324,274	52,405	***
Inventories.....	5,503,681	3,463,740	***	8,686,351	***	21,426,375	7,381,024	2,637,345	***
Investments in Government obligations.....	*285,451	*22,165	***	638,674	***	294,795	*29,982	*36,127	***
Tax-exempt securities.....	*847,517	56,972	***	460,681	***	*269,358	20	16,262	***
Other current assets.....	2,726,847	733,386	***	8,784,705	***	27,476,163	1,298,355	665,858	***
Loans to stockholders.....	129,170	48,526	***	1,145,478	***	2,559,471	212,286	*9,651	***
Mortgage and real estate loans.....	2,397,156	*5,891	***	86,517	***	83,410	*18,013	592	***
Other investments.....	10,913,449	1,799,593	***	74,096,135	***	251,316,967	8,206,160	535,741	***
Depreciable assets.....	34,962,909	9,473,832	***	64,373,157	***	321,813,997	32,659,609	5,369,050	***
Less: Accumulated depreciation.....	19,043,111	5,043,020	***	33,381,916	***	168,045,080	15,632,039	3,026,087	***
Depletable assets.....	4,268,918	*1,061	***	*124,418	***	50,047,044	*49,764	590	***
Less: Accumulated depletion.....	148,441	623	***	*84,925	***	28,410,431	*14,858	-	***
Land.....	880,101	230,365	***	2,182,876	***	7,697,539	507,107	5,219,952	***
Intangible assets (amortizable).....	411,995	1,886,849	***	28,314,728	***	43,172,491	3,018,279	571,000	***
Less: Accumulated amortization.....	109,283	260,300	***	6,750,647	***	23,625,827	685,186	137,884	***
Other assets.....	7,341,681	531,912	***	13,996,787	***	22,663,378	3,260,153	287,130	***
Total liabilities.....	57,862,187	17,732,312	***	181,374,992	***	605,956,148	50,774,521	16,514,437	***
Accounts payable.....	3,877,065	2,242,744	***	10,947,127	***	53,363,243	5,186,861	1,252,531	***
Mortgages, notes, and bonds payable in less than one year.....	3,349,495	1,211,218	***	9,322,558	***	31,184,518	5,464,400	454,527	***
Other current liabilities.....	4,010,669	1,855,734	***	18,269,465	***	25,578,890	4,612,639	1,655,016	***
Loans from stockholders.....	326,366	137,080	***	3,364,371	***	9,192,995	904,849	*33,094	***
Mortgages, notes, and bonds payable in one year or more.....	15,640,886	4,420,763	***	52,771,123	***	104,098,993	12,209,839	6,682,863	***
Other liabilities.....	9,926,173	1,025,973	***	14,839,607	***	97,717,928	6,901,097	4,940,541	***
Capital stock.....	1,650,355	977,476	***	10,933,645	***	18,774,750	2,726,389	865,043	***
Paid-in or capital surplus.....	8,982,753	2,261,905	***	50,541,737	***	150,904,221	10,303,880	854,671	***
Retained earnings, appropriated.....	91,813	*817	***	45,300	***	489,059	58,177	8,759	***
Retained earnings, unappropriated.....	10,613,119	3,832,091	***	25,859,016	***	140,972,279	2,823,249	-19,948	***
Less: Cost of treasury stock.....	506,526	233,488	***	5,518,958	***	26,320,727	416,859	212,661	***
Total receipts.....	62,537,660	30,120,327	***	150,948,557	***	497,868,474	64,812,464	17,142,187	***
Business receipts.....	59,869,459	29,206,556	***	142,217,520	***	470,728,419	62,261,333	16,462,521	***
Interest.....	1,120,521	106,002	***	2,386,059	***	8,865,291	669,498	315,716	***
Interest on Government obligations:									
State and local.....	7,969	8,837	***	40,900	***	33,779	4,434	4,236	***
Rents.....	99,931	24,843	***	615,437	***	2,502,300	101,915	26,426	***
Royalties.....	55,688	77,138	***	1,766,286	***	1,312,212	295,977	46,190	***
Net short-term capital gain reduced by net long-term capital loss.....	33,200	*4,534	***	50,833	***	28,108	*3,687	*173	***
Net long-term capital gain reduced by net short-term capital loss.....	397,494	188,325	***	498,204	***	477,880	166,254	54,011	***
Net gain, noncapital assets.....	116,951	23,437	***	206,909	***	1,514,686	218,133	654	***
Dividends received from domestic corporations.....	22,779	5,643	***	144,132	***	679,592	15,641	3,706	***
Dividends received from foreign corporations.....	58,905	111,178	***	338,978	***	3,267,649	301,708	17,370	***
Other receipts.....	754,762	363,834	***	2,683,300	***	8,259,558	773,884	211,185	***
Total deductions.....	60,711,357	29,002,110	***	143,617,788	***	481,757,461	63,304,243	16,781,221	***
Cost of sales and operations.....	44,275,626	20,173,717	***	69,412,319	***	367,712,883	42,450,400	11,313,039	***
Compensation of officers.....	805,520	488,110	***	3,699,438	***	557,419	965,932	160,617	***
Repairs.....	1,001,537	107,610	***	890,744	***	4,731,830	550,780	54,842	***
Bad debts.....	109,612	110,418	***	1,183,762	***	534,684	198,380	39,898	***
Rent paid on business property.....	502,063	395,476	***	2,599,613	***	4,133,195	751,921	307,288	***
Taxes paid.....	1,320,133	752,121	***	4,218,016	***	21,156,735	1,288,180	490,373	***
Interest paid.....	1,791,250	570,921	***	5,910,962	***	15,169,570	1,942,518	683,516	***
Contributions or gifts.....	26,008	18,535	***	270,691	***	277,739	22,264	12,308	***
Amortization.....	58,332	69,083	***	2,120,232	***	1,300,694	196,610	27,729	***
Depreciation.....	1,871,467	643,943	***	5,120,547	***	12,969,446	2,292,891	323,583	***
Depletion.....	430,785	*2,407	***	*9,447	***	2,484,402	*5,329	94,376	***
Advertising.....	283,181	470,580	***	3,315,617	***	1,018,855	789,049	321,814	***
Pension, profit-sharing, stock bonus, and annuity plans.....	346,161	159,445	***	1,094,412	***	1,413,077	558,447	48,546	***
Employee benefit programs.....	639,360	525,634	***	3,029,945	***	4,061,292	1,319,549	186,868	***
Net loss, noncapital assets.....	35,938	21,499	***	182,936	***	184,859	51,270	12,241	***
Other deductions.....	7,214,384	4,492,610	***	40,559,107	***	44,050,782	9,920,722	2,684,181	***
Total receipts less total deductions.....	1,826,303	1,118,217	***	7,330,769	***	15,912,013	1,508,221	380,966	***
Constructive taxable income from related foreign corporations.....	12,999	64,643	***	229,980	***	3,476,238	232,904	9,225	***
Net income (less deficit), total.....	1,831,333	1,174,024	***	7,519,850	***	19,354,471	1,736,691	385,956	***
Income subject to tax.....	1,861,163	1,312,179	***	8,185,403	***	19,789,053	2,508,111	432,406	***
Income tax, total ²	688,507	445,325	***	2,806,355	***	6			

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120

Table 16—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major Industry—Continued							
	Manufacturing—Continued							
	Primary metal industries	Fabricated metal products	Machinery, except electrical	Electrical and electronic equipment	Motor vehicles and equipment	Transportation equipment, except motor vehicles	Instruments and related products	Miscellaneous manufacturing and manufacturing not allocable
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
Number of returns, total.....	2,891	26,036	18,858	11,822	1,640	2,141	5,294	11,061
Total assets.....	120,602,774	103,723,733	244,984,465	424,116,301	415,398,477	138,248,552	126,650,379	65,090,256
Cash.....	4,387,506	4,089,571	9,048,780	15,559,191	6,935,732	7,202,872	5,052,573	3,076,016
Notes and accounts receivable.....	21,163,737	21,135,690	63,735,065	135,102,093	150,439,088	26,386,415	28,721,752	13,256,723
Less: Allowance for bad debts.....	414,999	479,208	1,601,165	6,613,325	1,620,417	882,610	686,542	649,666
Inventories.....	15,230,064	16,298,223	33,839,397	36,191,511	17,040,923	31,649,029	14,237,403	7,730,162
Investments in Government obligations.....	236,556	256,632	1,198,238	11,203,630	3,833,276	*226,246	7,200,590	164,577
Tax-exempt securities.....	*15,260	201,340	970,976	8,204,558	*766,640	*354,131	1,111,453	657,961
Other current assets.....	4,408,969	3,880,878	14,869,338	38,220,821	23,456,724	4,877,616	8,576,312	3,440,113
Loans to stockholders.....	1,616,432	357,943	2,697,731	583,242	252,472	652,876	145,479	338,250
Mortgage and real estate loans.....	*1,077,172	107,313	107,998	2,968,088	16,530,965	*228,858	108,940	200,237
Other investments.....	17,883,367	16,847,990	37,848,563	59,204,361	75,694,185	16,643,462	21,768,831	16,468,464
Depreciable assets.....	81,136,749	54,070,694	117,850,218	156,630,028	144,953,028	67,627,003	48,067,700	20,898,750
Less: Accumulated depreciation.....	41,928,624	29,306,124	68,530,544	83,389,367	75,322,007	34,467,908	24,476,370	10,214,665
Depletable assets.....	2,805,318	137,486	118,551	*73,286	632	215,598	*4,338	246,401
Less: Accumulated depletion.....	1,083,922	*86,486	20,435	*24,002	455	34,261	*1,104	94,888
Land.....	1,368,086	1,348,788	2,521,224	2,435,604	1,651,674	1,801,839	1,085,443	618,711
Intangible assets (amortizable).....	5,889,600	7,435,720	15,151,530	20,243,105	13,402,878	5,442,970	7,679,270	6,033,450
Less: Accumulated amortization.....	792,164	985,810	3,182,054	4,259,614	1,806,097	806,181	1,945,076	1,253,835
Other assets.....	7,603,668	8,612,896	18,361,054	31,783,190	39,189,237	11,330,595	9,999,385	4,173,316
Total liabilities.....	120,802,774	103,723,733	244,984,465	424,116,301	415,398,477	138,248,552	126,650,379	65,090,256
Accounts payable.....	14,341,938	10,733,284	28,508,846	42,103,470	39,769,437	13,999,941	11,458,255	6,855,748
Mortgages, notes, and bonds payable in less than one year.....	5,178,409	8,160,212	25,640,910	80,177,685	73,808,280	6,265,047	8,551,083	4,423,803
Other current liabilities.....	12,414,345	9,015,600	22,768,819	34,124,872	35,784,955	30,812,468	21,036,151	9,322,482
Loans from stockholders.....	2,624,261	1,958,734	2,183,271	2,129,081	1,785,583	843,299	1,180,058	1,551,487
Mortgages, notes, and bonds payable in one year or more.....	28,948,700	21,168,565	60,367,424	58,482,074	100,308,388	27,335,052	23,648,794	16,077,555
Other liabilities.....	27,629,897	10,476,126	26,891,769	97,599,638	97,059,157	19,990,301	11,866,705	4,160,520
Capital stock.....	7,257,467	6,239,548	21,626,893	17,125,392	8,554,062	7,527,202	6,876,441	4,349,891
Paid-in or capital surplus.....	30,207,807	19,115,902	41,036,247	53,317,560	51,625,327	10,970,888	21,687,407	12,571,334
Retained earnings, appropriated.....	95,993	74,462	659,237	29,009	*16,645	264,475	1,031,152	63,597
Retained earnings, unappropriated.....	-6,030,709	20,118,731	21,225,802	48,100,642	8,066,728	23,955,211	24,053,798	7,158,588
Less: Cost of treasury stock.....	2,064,736	3,337,433	5,924,754	9,073,122	1,380,084	3,715,332	4,539,464	1,444,998
Total receipts.....	120,161,950	128,958,128	255,073,158	321,128,744	300,308,180	172,831,700	115,978,821	59,913,874
Business receipts.....	116,385,414	124,716,747	220,710,332	287,674,971	269,091,670	161,662,856	105,068,289	56,682,817
Interest.....	1,303,392	825,127	3,954,584	11,214,749	16,974,057	2,701,126	2,433,903	808,336
Interest on Government obligations:								
State and local.....	5,631	27,695	199,583	589,697	114,376	20,935	204,588	83,636
Rents.....	176,483	371,325	7,688,093	8,447,135	8,331,766	1,591,753	1,352,813	291,521
Royalties.....	259,735	393,330	12,745,944	2,488,008	341,298	377,087	1,559,320	508,403
Net short-term capital gain reduced by net long-term capital loss.....	4,443	5,641	47,729	116,998	55,027	27,429	286,069	6,131
Net long-term capital gain reduced by net short-term capital loss.....	226,288	407,917	680,371	978,466	504,891	171,557	696,642	159,386
Net gain, noncapital assets.....	405,782	261,391	300,862	1,444,812	1,857,583	518,519	204,032	87,561
Dividends received from domestic corporations.....	66,911	80,705	147,799	346,370	119,397	98,895	58,982	325,169
Dividends received from foreign corporations.....	296,504	405,600	4,440,118	1,608,239	477,938	1,808,255	1,578,753	281,508
Other receipts.....	1,031,367	1,462,650	4,157,742	6,217,300	2,440,176	3,853,288	2,535,429	679,205
Total deductions.....	121,686,457	124,994,449	249,225,783	311,670,995	301,627,695	167,724,232	110,363,322	58,058,247
Cost of sales and operations.....	90,704,464	87,561,464	149,982,507	189,923,854	208,348,400	125,754,842	60,821,624	35,342,305
Compensation of officers.....	729,059	3,039,364	2,852,777	3,047,268	583,003	748,038	1,583,482	1,248,118
Repairs.....	2,449,479	652,618	1,464,113	1,950,828	2,114,939	988,011	365,842	310,029
Bad debts.....	301,250	394,588	744,160	2,749,188	1,276,900	247,256	484,100	444,117
Rent paid on business property.....	1,110,163	1,129,661	3,353,379	3,985,063	2,414,038	1,362,000	1,354,548	722,748
Taxes paid.....	2,365,011	3,096,295	5,470,221	6,652,613	5,719,553	3,031,362	2,333,285	1,266,432
Interest paid.....	3,064,345	2,960,194	8,135,488	14,993,629	16,552,230	3,730,723	3,238,707	1,964,028
Contributions or gifts.....	22,709	59,278	184,716	159,062	26,977	82,032	119,818	43,311
Amortization.....	242,787	309,037	1,032,114	1,000,345	613,641	231,507	483,845	280,387
Depreciation.....	4,884,928	3,507,087	8,950,677	16,509,371	16,884,239	3,409,966	3,688,711	1,641,949
Depletion.....	425,336	7,271	19,893	*4,777	2,882	25,379	7	*14,809
Advertising.....	187,873	1,195,803	2,398,788	3,635,055	3,258,012	361,802	2,337,619	1,861,473
Pension, profit-sharing, stock bonus, and annuity plans.....	2,036,536	791,181	1,547,826	1,971,197	6,756,605	1,007,286	1,153,251	255,361
Employee benefit programs.....	2,675,909	2,641,474	6,211,351	5,978,217	5,609,592	3,509,158	2,475,530	1,085,173
Net loss, noncapital assets.....	97,285	122,161	496,020	527,235	106,294	138,454	129,874	100,669
Other deductions.....	10,389,324	17,526,970	56,381,754	58,583,293	31,380,389	23,096,416	29,793,078	11,477,338
Total receipts less total deductions.....	-1,524,508	3,963,677	5,847,375	9,455,749	-1,319,515	5,107,468	5,615,499	1,855,427
Constructive taxable income from related foreign corporations.....	210,089	315,888	2,432,525	1,405,842	1,237,921	215,242		

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120

Table 16—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued								
	Transportation and public utilities				Wholesale and retail trade				
	Total	Transportation	Communication	Electric, gas, and sanitary services	Total	Wholesale trade			
						Total	Groceries and related products	Machinery, equipment, and supplies	Miscellaneous wholesale trade
(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	
Number of returns, total.....	89,352	74,108	***	***	522,727	187,981	13,748	32,858	141,358
Total assets.....	1,604,087,067	274,288,592	***	***	1,327,803,906	640,508,248	46,814,784	55,534,128	538,358,328
Cash.....	25,301,929	10,383,737	***	***	59,076,388	27,057,062	1,975,711	3,321,544	21,758,807
Notes and accounts receivable.....	163,776,984	35,181,436	***	***	289,438,331	183,060,014	11,775,290	16,882,138	154,402,585
Less: Allowance for bad debts.....	4,756,700	1,004,690	***	***	8,029,344	3,676,531	281,721	406,214	2,988,596
Inventories.....	28,470,687	4,743,931	***	***	328,864,055	165,599,854	10,060,147	16,854,571	138,685,135
Investments in Government obligations.....	6,619,484	2,815,086	***	***	37,599,433	35,027,234	93,354	74,133	34,859,747
Tax-exempt securities.....	1,696,499	429,944	***	***	19,597,596	803,257	66,928	139,320	597,009
Other current assets.....	58,166,214	10,644,084	***	***	75,315,312	47,658,818	1,415,066	2,533,317	43,710,435
Loans to stockholders.....	2,757,933	1,196,808	***	***	9,933,748	3,139,553	237,632	549,461	2,352,459
Mortgage and real estate loans.....	2,844,436	572,845	***	***	13,702,239	1,869,000	226,569	228,938	1,413,493
Other investments.....	241,277,540	29,040,387	***	***	152,726,826	58,864,254	6,607,707	5,059,925	47,196,623
Depreciable assets.....	1,396,187,157	254,340,667	***	***	410,484,421	146,112,045	17,220,812	14,982,900	113,908,533
Less: Accumulated depreciation.....	508,950,266	102,752,372	***	***	184,193,942	70,068,972	8,563,974	7,884,381	53,620,617
Depletable assets.....	11,217,316	533,886	***	***	2,087,052	1,417,935	9,637	46,494	1,361,804
Less: Accumulated depletion.....	4,633,648	189,813	***	***	867,853	647,751	398	37,005	610,349
Land.....	12,758,034	4,489,632	***	***	33,392,398	8,941,457	895,206	842,648	7,203,603
Intangible assets (amortizable).....	74,286,869	8,949,403	***	***	49,702,464	23,397,719	3,554,022	1,210,227	18,633,470
Less: Accumulated amortization.....	11,296,153	1,249,785	***	***	10,340,829	4,344,220	535,641	294,171	3,514,408
Other assets.....	108,372,753	16,161,405	***	***	49,315,611	16,297,518	1,857,647	1,430,279	13,009,593
Total liabilities.....	1,604,087,067	274,288,592	***	***	1,327,803,906	640,508,248	46,814,784	55,534,128	538,358,328
Accounts payable.....	95,851,956	25,693,489	***	***	210,985,339	114,162,485	9,864,845	12,260,724	92,036,916
Mortgages, notes, and bonds payable in less than one year.....	91,103,679	22,572,359	***	***	234,868,080	159,600,058	3,334,068	10,071,914	146,194,076
Other current liabilities.....	128,319,996	35,464,804	***	***	172,252,655	83,527,372	4,486,334	4,674,063	74,366,976
Loans from stockholders.....	6,428,294	3,042,769	***	***	30,853,184	13,845,658	975,279	1,451,559	11,418,820
Mortgages, notes, and bonds payable in one year or more.....	493,464,309	78,493,443	***	***	245,246,240	95,470,427	9,915,310	8,306,503	77,248,613
Other liabilities.....	259,234,584	51,682,383	***	***	103,208,788	27,850,190	2,281,840	2,529,764	23,038,585
Capital stock.....	169,628,363	17,339,606	***	***	74,755,221	41,828,481	2,002,143	4,484,402	35,341,935
Paid-in or capital surplus.....	247,714,595	40,888,990	***	***	131,728,923	49,878,343	6,096,371	4,786,411	38,995,581
Retained earnings, appropriated.....	3,365,631	286,107	***	***	1,506,388	438,848	52,751	85,493	300,603
Retained earnings, unappropriated.....	128,428,772	3,802,077	***	***	141,723,533	61,872,792	8,561,510	7,824,427	45,486,855
Less: Cost of treasury stock.....	18,443,113	4,978,435	***	***	19,324,444	7,966,408	955,558	941,135	6,069,615
Total receipts.....	925,949,677	315,258,102	***	***	2,594,665,893	1,295,123,908	183,392,528	104,818,033	877,113,347
Business receipts.....	871,408,720	300,270,689	***	***	2,517,459,358	1,232,189,699	180,122,254	101,533,671	950,533,773
Interest.....	16,655,302	3,315,225	***	***	26,825,829	12,430,209	486,637	682,635	11,260,937
Interest on Government obligations:									
State and local.....	254,240	26,299	***	***	1,503,662	111,689	15,333	15,495	80,862
Rents.....	10,072,499	2,904,900	***	***	8,850,428	4,196,280	317,589	921,761	2,956,930
Royalties.....	707,465	109,467	***	***	2,873,223	791,652	34,962	41,037	715,653
Net short-term capital gain reduced by net long-term capital loss.....	235,982	99,697	***	***	272,393	154,852	4,930	2,093	147,829
Net long-term capital gain reduced by net short-term capital loss.....	3,133,673	1,271,424	***	***	3,311,409	762,930	37,420	86,676	638,834
Net gain, noncapital assets.....	3,763,940	1,875,144	***	***	2,844,768	1,497,095	40,067	192,461	1,264,566
Dividends received from domestic corporations.....	1,397,510	134,338	***	***	650,422	292,847	28,162	15,156	249,529
Dividends received from foreign corporations.....	484,933	120,074	***	***	1,587,332	1,298,372	9,061	39,606	1,249,706
Other receipts.....	17,835,415	5,130,847	***	***	28,486,770	11,398,283	2,296,114	1,087,441	8,014,728
Total deductions.....	885,773,842	315,549,778	***	***	2,586,762,042	1,255,617,003	182,018,755	103,534,538	870,082,709
Cost of sales and operations.....	348,712,053	118,009,085	***	***	1,928,258,480	1,029,147,865	155,566,491	77,931,526	795,649,848
Compensation of officers.....	6,900,186	4,043,299	***	***	32,450,590	16,256,907	1,509,488	2,787,047	11,960,372
Repairs.....	29,786,321	8,745,058	***	***	9,707,323	3,023,107	576,097	315,906	2,131,104
Bad debts.....	6,956,823	996,634	***	***	8,622,969	3,127,720	300,941	349,784	2,476,995
Rent paid on business property.....	26,962,757	17,521,788	***	***	47,090,583	10,248,493	1,361,718	1,097,212	7,789,563
Taxes paid.....	41,899,340	11,726,774	***	***	39,212,575	13,866,225	1,666,078	1,388,943	10,811,204
Interest paid.....	54,587,958	8,952,925	***	***	43,714,898	18,169,145	1,316,393	1,542,897	15,309,855
Contributions or gifts.....	596,580	100,863	***	***	753,465	299,262	55,659	28,332	215,271
Amortization.....	5,575,512	669,896	***	***	4,704,549	2,600,889	168,828	109,124	2,322,936
Depreciation.....	82,563,379	17,442,814	***	***	37,213,738	16,374,175	1,391,340	1,865,010	13,117,825
Depletion.....	979,552	168,890	***	***	104,114	97,383	*608	2,071	94,704
Advertising.....	5,991,233	1,988,609	***	***	32,448,508	10,548,948	746,645	587,128	9,215,176
Pension, profit-sharing, stock bonus, and annuity plans.....	7,108,363	3,186,764	***	***	5,772,549	2,569,554	387,680	329,666	1,852,208
Employee benefit programs.....	20,556,036	8,775,860	***	***	17,904,210	6,205,669	1,155,222	827,740	4,222,707
Net loss, noncapital assets.....	2,977,605	672,366	***	***	1,885,297	507,894	28,916	76,642	402,336
Other deductions.....	243,620,144	112,548,355	***	***	356,918,193	122,573,766	15,787,650	14,295,510	92,490,606
Total receipts less total deductions.....	40,175,836	-291,677	***	***	27,903,551	9,506,906	1,372,774	1,083,494	7,050,638
Constructive taxable income from related foreign corporations.....	896,096	102,898	***	***	2,362,587	2,135,330	*1,963	21,534	2,111,833
Net income (less deficit), total.....	40,817,692	-215,078	***	***	28,762,476	11,530,547	1,359,405	1,089,534	9,081,609
Income subject to tax.....	50,097,200	6,923,856	***	***	44,624,366	18,787,124	1,834,094	1,917,240	15,035,791
Income tax, total.....	17,932,192	2,472,298	***	***	14,772,602	6,285,286	607,393	585,091	5,092,802
Regular tax.....	16,875,867	2,249,580	***	***	14,303,809	6,010,908	597,576	573,266	4,840,066
Personal holding company tax.....	*44	(¹)	***	***	(¹)	(¹)	-	-	(¹)
Recapture of investment credit.....	16,274	2	***	***	970	*505	-	10	*495
Alternative minimum tax.....	970,451	213,561	***	***	428,635	261,189	8,527	10,769	241,893
Environmental tax.....	87,670	9,238	***	***	47,977	17,273	1,733	1,034	14,506
Foreign tax credit.....	478,522	41,534	***	***	1,242,759	950,712	*2,215	17,708	930,789
U.S. possessions tax credit.....	58,729	60	***	***	29,971	4,940	-	124	4,816
Orphan drug credit.....	-	-	***	***	-	-	-	-	-
Nonconventional source fuel credit.....	58,112	*655	***	***	1,489	1,433	628	*482	*324
General business credit.....	352,638	57,166	***	***	248,155	47,980	4,741	4,305	38,933
Prior year minimum tax credit.....	366,463	78,526	***	***	164,070	52,989	4,859	5,261	42,869
Total income tax after credits.....	16,617,729	2,294,357	***	***	13,086,158	5,227,232	594,950	557,210	4,075,072

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120

Table 16—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued									
	Wholesale and retail trade—continued									
	Total	Retail trade								Wholesale and retail trade not allocable
		Building materials, garden supply and home dealers	General merchandise stores	Food stores	Automotive dealers and service stations	Apparel and accessory stores	Furniture and home furnishing stores	Eating and drinking places	Miscellaneous retail stores	
(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	
Number of returns, total.....	332,907	24,453	5,871	30,035	50,040	20,239	22,200	66,893	112,878	2,259
Total assets.....	685,405,001	29,870,133	287,878,261	87,220,850	60,045,048	43,411,881	18,980,411	65,111,889	91,686,528	1,890,858
Cash.....	31,762,685	1,806,536	6,798,134	5,733,602	4,151,532	1,795,873	1,534,346	3,480,261	6,462,400	256,641
Notes and accounts receivable.....	105,839,671	4,587,514	60,624,345	5,843,316	7,809,065	5,070,071	4,007,479	3,678,192	14,219,690	538,647
Less: Allowance for bad debts.....	4,343,901	98,214	2,855,636	78,745	129,961	186,586	129,294	174,034	691,429	*8,913
Inventories.....	162,855,076	9,954,732	46,749,881	19,682,827	30,723,414	12,988,963	7,669,850	1,875,315	33,210,094	409,125
Investments in Government obligations.....	2,572,199	*6,897	1,832,004	253,227	54,790	*64,389	*26,885	60,911	273,094	-
Tax-exempt securities.....	18,794,339	*2,927	*18,100,529	*444,207	*25,898	*10,137	*55,021	*40,792	114,828	-
Other current assets.....	27,552,137	1,422,555	14,674,431	2,350,645	1,488,317	2,414,545	716,664	1,691,717	2,793,262	104,357
Loans to stockholders.....	6,789,403	202,827	2,577,882	276,712	665,556	717,570	144,996	1,042,016	1,161,744	*4,792
Mortgage and real estate loans.....	11,833,239	293,320	*10,834,104	188,362	108,459	9,042	*45,707	227,667	126,579	-
Other investments.....	93,741,102	1,593,104	61,403,841	6,407,948	1,870,011	5,791,651	1,410,777	8,191,774	7,072,696	121,470
Depreciable assets.....	263,782,434	12,202,718	71,807,008	56,634,137	20,107,456	18,835,722	6,658,749	44,797,174	32,739,472	589,941
Less: Accumulated depreciation.....	113,814,750	5,671,858	25,111,200	25,314,896	10,502,294	7,860,601	3,246,687	19,534,897	16,572,318	310,219
Depletable assets.....	656,034	*54,815	146,460	*164,615	*37,447	86,483	-	*119,300	*46,914	13,082
Less: Accumulated depletion.....	215,896	*11,054	59,690	*36,871	*570	26,801	-	*49,897	*31,013	4,205
Land.....	24,400,712	1,804,954	6,607,007	5,028,299	2,068,096	570,055	308,100	6,098,714	1,915,487	*50,229
Intangible assets (amortizable).....	26,281,881	598,046	4,071,762	3,406,233	763,678	2,187,876	527,858	7,868,404	6,858,025	*22,864
Less: Accumulated amortization.....	5,985,322	191,451	935,552	574,160	352,399	460,172	127,866	1,559,368	1,784,354	*11,287
Other assets.....	32,903,959	1,411,764	10,712,952	6,811,390	1,156,454	1,403,664	378,528	7,257,850	3,771,357	114,134
Total liabilities.....	685,405,001	29,870,133	287,878,261	87,220,850	60,045,048	43,411,881	18,980,411	65,111,889	91,686,528	1,890,858
Accounts payable.....	96,501,960	4,361,042	39,989,867	15,406,125	5,759,468	6,205,561	3,579,710	4,364,078	17,336,115	320,894
Mortgages, notes, and bonds payable in less than one year.....	75,030,203	2,225,013	27,148,436	4,641,921	24,777,594	3,052,123	1,747,363	3,908,290	7,529,463	237,819
Other current liabilities.....	88,564,552	2,153,852	50,613,969	10,359,826	3,585,010	4,603,697	2,340,483	6,328,981	8,578,734	160,730
Loans from stockholders.....	16,898,124	1,096,489	2,940,738	1,093,073	2,642,327	1,267,918	607,832	2,641,211	4,608,537	109,402
Mortgages, notes, and bonds payable in one year or more.....	149,285,620	7,477,392	51,575,752	32,972,405	8,779,103	6,263,158	3,181,420	21,791,246	17,245,144	490,193
Other liabilities.....	75,266,312	966,160	49,155,968	6,393,627	1,114,417	2,614,268	843,618	7,848,309	6,329,945	92,286
Capital stock.....	32,741,353	1,529,334	7,599,192	3,277,999	3,154,909	3,728,990	1,596,241	6,381,758	5,472,930	185,386
Paid-in or capital surplus.....	81,649,861	3,029,668	31,695,618	9,645,858	2,738,677	7,217,520	2,276,831	7,976,388	17,069,302	200,718
Retained earnings, appropriated.....	1,067,540	*26,876	*382,223	*27,090	102,660	*146,251	90,089	75,938	216,414	-
Retained earnings, unappropriated.....	79,706,915	7,918,081	29,448,721	4,778,156	8,469,257	9,094,657	4,962,769	6,184,375	8,849,898	143,827
Less: Cost of treasury stock.....	11,307,440	813,773	2,072,224	1,376,231	1,078,366	782,262	1,245,945	2,388,685	1,549,954	*50,596
Total receipts.....	1,324,270,211	85,938,445	309,000,474	295,880,950	225,170,401	82,962,484	40,389,712	87,183,079	207,748,687	5,271,474
Business receipts.....	1,280,091,898	64,322,960	290,437,831	290,543,261	221,245,003	80,217,713	39,318,276	91,444,702	202,562,153	5,177,761
Interest.....	14,359,411	542,715	8,940,083	564,931	821,151	804,432	401,105	1,176,622	1,108,373	36,209
Interest on Government obligations:										
State and local.....	1,391,956	21,508	1,279,427	38,837	3,965	12,931	6,056	11,953	17,278	17
Rents.....	4,638,334	215,469	1,396,064	830,258	567,417	242,030	145,242	641,808	600,405	*15,814
Royalties.....	2,081,374	180,556	62,811	79,559	1,902	456,576	*11,883	935,517	352,572	197
Net short-term capital gain reduced by net long-term capital loss.....	117,541	9,493	70,428	7,676	1,395	*1,659	*4,112	9,870	12,907	-
Net long-term capital gain reduced by net short-term capital loss.....	2,547,364	53,592	1,871,863	108,019	71,380	29,513	66,903	167,524	178,570	*1,115
Net gain, noncapital assets.....	1,344,811	47,454	364,082	232,424	241,442	17,160	14,938	259,852	167,460	*2,862
Dividends received from domestic corporations.....	356,379	17,377	196,629	11,581	18,246	67,804	4,979	15,303	24,459	*1,196
Dividends received from foreign corporations.....	288,960	*1,044	56,387	*10,819	*760	86,252	-	111,111	22,588	-
Other receipts.....	17,052,183	524,276	4,324,870	3,453,585	2,197,740	1,026,394	416,219	2,408,817	2,700,282	36,304
Total deductions.....	1,305,892,391	64,789,217	301,864,478	292,900,709	223,768,822	80,530,483	40,032,080	95,502,690	206,503,915	5,252,649
Cost of sales and operations.....	895,074,586	46,238,897	193,421,372	220,448,057	186,578,372	48,622,151	25,369,241	37,671,080	136,725,417	4,036,029
Compensation of officers.....	16,018,014	1,453,752	792,931	1,352,774	2,938,517	862,693	1,149,096	2,178,800	5,289,450	175,668
Repairs.....	6,672,400	322,495	1,337,983	1,734,130	650,641	341,327	172,550	1,246,948	866,325	11,816
Bad debts.....	5,485,155	214,462	2,886,407	261,111	305,216	365,704	228,147	226,337	997,770	10,094
Rent paid on business property.....	36,785,659	1,152,156	7,655,856	5,434,661	2,651,765	5,593,185	1,520,536	5,632,734	7,144,765	56,431
Taxes paid.....	25,268,844	1,258,356	6,139,215	4,395,320	2,830,907	1,921,372	831,060	3,984,632	3,907,983	77,506
Interest paid.....	25,490,273	1,155,725	10,489,959	3,692,388	1,948,879	1,176,248	563,840	3,989,922	3,073,311	55,480
Contributions or gifts.....	452,568	18,208	161,094	73,426	27,829	47,179	19,210	33,228	72,395	*1,635
Amortization.....	2,098,435	53,425	511,656	291,032	111,246	169,286	47,578	455,844	458,367	5,226
Depreciation.....	20,778,367	843,912	5,300,735	4,307,727	1,981,146	1,670,985	518,516	3,120,962	3,034,385	61,196
Depletion.....	6,731	*2,797	(¹)	1	*96	*367	-	*269	3,202	-
Advertising.....	21,866,003	806,400	6,199,875	2,697,346	2,035,576	1,672,948	1,731,970	2,480,377	4,241,512	33,556
Pension, profit-sharing, stock bonus, and annuity plans.....	3,178,867	174,781	812,576	931,223	186,049	225,858	99,122	262,804	486,455	24,128
Employee benefit programs.....	11,662,186	449,614	2,829,417	3,585,090	1,037,688	692,782	256,959	1,359,222	1,451,416	36,355
Net loss, noncapital assets.....	1,375,889	35,038	131,777	180,030	41,550	134,380	56,421	128,212	668,482	*1,514
Other deductions.....	233,678,413	10,609,200	63,193,623	43,516,394	20,443,344	17,034,018	7,467,836	33,331,318	38,082,680	666,013
Total receipts less total deductions.....	18,377,820	1,147,228	7,135,998	2,980,241	1,401,579	2,431,981	357,632	1,680,388	1,242,773	18,825
Constructive taxable income from related foreign corporations.....	227,256	-	84,857	1,213	*343	28,444	81	80,714	31,604	-
Net income (less deficit), total.....	17,213,120	1,125,720	5,941,428	2,942,617	1,397,957	2,447,494	351,657	1,749,149	1,257,099	18,808
Income subject to tax.....	25,746,117	1,473,793	7,958,493	3,909,050	1,660,789	2,949,025	843,964	2,728,480	4,222,540	91,125
Income tax, total.....	8,458,589	466,932	2,758,277	1,352,916	474,870	965,473	254,183	912,869	1,273,070	28,727
Regular tax.....	8,264,252	458,032	2,698,386	1,299,335	465,491	958,723	252,532	870,404	1,261,350	28,649
Personal holding company tax.....	-	-	-	-	-	-	-	-	-	-
Recapture of investment credit.....	465	-	463	-	-	-	-	(¹)	2	-
Alternative minimum tax.....	167,446	7,629	46,260	47,555	13,366	3,436	*1,048	39,261	8,892	-
Environmental tax.....	30,626	1,272	13,167	5,071	435	3,614	603	3,116	3,348	78
Foreign tax credit.....	291,984	*59	52,305	10,957	156	42,369	1,109	171,488	13,541	63
U.S. possessions tax credit.....	25,031	-	15,156	7,740	1,187	20	-	928	-	-
Orphan drug credit.....	-	-	-	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	*56	-	(¹)	-	*51	-	-	1	*4	-
General business credit.....	200,085	6,333	67,730	33,279	8,744	16,468	*2,150	42,580	22,801	*90
Prior year minimum tax credit.....	110,552	2,364	54,854	17,021	11,298	4,146	*2,828	2,254	15,786	*529
Total income tax after credits.....	7,830,881	458,176	2,568,231	1,283,919	453,434	902				

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120

Table 16--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued							
	Finance, insurance, and real estate							
	Total	Banking	Credit agencies other than banks	Security, commodity brokers and services	Insurance	Insurance agents, brokers, and service	Real estate	Holding and other investment companies, except bank holding companies
	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)
Number of returns, total.....	298,477	10,621	13,913	7,825	1,804	32,262	202,685	29,567
Total assets.....	7,971,744,199	4,161,995,148	1,652,700,185	594,739,468	1,077,202,455	32,907,539	244,683,974	207,515,429
Cash.....	436,713,868	316,800,160	69,943,800	13,073,150	10,867,982	5,253,583	15,923,304	4,851,888
Notes and accounts receivable.....	2,407,807,638	1,803,973,546	301,198,309	135,738,976	98,703,347	9,071,600	15,286,350	43,835,511
Less: Allowance for bad debts.....	76,351,255	53,956,951	18,638,831	406,905	1,889,580	227,728	759,741	471,519
Inventories.....	18,954,868	538,182	5,832,166	920,614	2,833,975	3,752	7,855,474	970,705
Investments in Government obligations.....	769,869,302	571,224,332	64,836,645	37,050,132	89,830,504	553,144	1,802,060	4,572,485
Tax-exempt securities.....	190,710,054	66,449,518	19,904,526	2,142,918	99,862,737	437,920	721,190	1,191,245
Other current assets.....	682,443,629	205,222,106	77,765,976	212,905,070	157,002,864	1,776,955	13,520,115	14,250,545
Loans to stockholders.....	27,479,508	3,318,319	8,463,925	1,167,707	2,000,604	385,954	3,156,455	8,986,544
Mortgage and real estate loans.....	1,290,615,987	401,931,745	816,785,640	1,838,760	55,313,300	89,648	10,625,838	4,031,067
Other investments.....	1,386,272,399	387,924,821	208,820,143	163,347,068	488,777,736	9,822,042	45,839,144	81,741,444
Depreciable assets.....	305,282,431	96,882,224	30,387,255	8,774,341	26,668,690	5,771,104	124,633,442	12,165,376
Less: Accumulated depreciation.....	113,228,542	41,226,980	13,101,424	4,239,185	7,074,765	3,198,410	39,388,809	4,998,970
Depletable assets.....	1,499,911	20,040	20,040	*1,709	395,558	*3,188	666,153	401,712
Less: Accumulated depletion.....	420,420	3,315	*3,145	*909	180,554	*246	170,427	61,824
Land.....	47,805,995	7,811,254	3,311,353	195,745	1,229,035	171,517	33,013,034	2,074,056
Intangible assets (amortizable).....	41,155,701	15,970,603	10,709,499	2,438,792	4,299,788	2,381,508	2,604,653	2,750,860
Less: Accumulated amortization.....	9,565,147	3,296,414	2,072,191	933,307	967,285	852,433	834,295	609,222
Other assets.....	564,698,272	382,420,446	68,536,499	20,724,792	49,528,519	1,464,442	10,190,035	31,833,539
Total liabilities.....	7,971,744,199	4,161,995,148	1,652,700,185	594,739,468	1,077,202,455	32,907,539	244,683,974	207,515,429
Accounts payable.....	611,660,077	376,722,567	87,258,514	101,594,805	23,671,610	10,421,146	6,970,472	5,020,963
Mortgages, notes, and bonds payable in less than one year.....	660,756,697	219,463,262	289,786,763	39,618,438	25,379,253	1,596,881	22,393,580	62,518,521
Other current liabilities.....	4,157,203,768	2,783,503,588	675,198,724	367,253,271	302,595,779	3,816,471	14,030,922	10,804,924
Loans from stockholders.....	70,727,356	10,130,410	23,297,175	1,035,546	6,446,862	586,319	22,041,906	7,189,138
Mortgages, notes, and bonds payable in one year or more.....	704,562,191	180,446,686	309,010,193	24,893,592	45,539,221	3,073,814	95,841,970	45,756,715
Other liabilities.....	859,169,881	207,031,122	159,531,028	30,299,578	413,966,008	2,628,038	22,202,909	23,511,197
Capital stock.....	148,796,456	65,987,360	14,661,741	4,742,277	16,484,568	1,394,961	28,505,783	17,019,766
Paid-in or capital surplus.....	469,898,293	166,049,931	61,270,269	13,505,920	117,999,571	3,697,717	62,414,017	44,960,867
Retained earnings, appropriated.....	17,853,296	2,311,078	2,911,354	*168,719	9,376,302	120,568	1,794,349	1,170,926
Retained earnings, unappropriated.....	293,771,900	153,918,043	33,893,664	13,714,513	122,532,484	6,582,551	-28,245,377	-8,623,979
Less: Cost of treasury stock.....	22,655,625	3,568,899	4,119,239	2,087,192	6,789,202	1,010,927	3,266,557	1,813,609
Total receipts.....	1,194,314,841	454,960,070	192,764,858	69,845,512	342,900,225	25,885,558	78,905,582	29,053,235
Business receipts.....	573,812,336	125,943,800	54,365,601	40,088,054	261,067,204	24,011,091	56,196,545	12,140,041
Interest.....	476,242,897	275,323,376	116,290,884	21,654,427	47,402,120	501,769	4,575,272	10,495,049
Interest on Government obligations:								
State and local.....	13,143,822	6,367,557	952,721	200,044	5,257,325	51,546	107,673	206,956
Rents.....	24,781,510	10,337,632	1,962,826	703,538	2,948,037	123,345	7,228,501	1,477,631
Royalties.....	710,302	44,774	104,993	20,256	59,239	*16,156	208,977	255,906
Net short-term capital gain reduced by net long-term capital loss.....	3,363,163	185,951	90,328	402,024	2,296,587	36,795	165,320	186,159
Net long-term capital gain reduced by net short-term capital loss.....	15,483,095	1,994,717	1,395,620	530,165	7,091,136	389,206	2,681,471	1,400,781
Net gain, noncapital assets.....	8,592,027	5,291,907	2,183,860	78,007	351,409	15,330	529,831	141,683
Dividends received from domestic corporations.....	4,031,318	843,869	503,365	221,530	1,540,912	39,436	249,767	632,439
Dividends received from foreign corporations.....	1,537,754	318,173	58,149	65,886	644,932	134,762	43,638	272,214
Other receipts.....	72,616,617	28,308,313	14,856,512	5,881,581	14,241,325	565,921	6,918,588	1,844,376
Total deductions.....	1,121,275,954	415,314,069	180,845,467	64,828,910	325,684,948	24,408,377	82,531,880	27,864,405
Cost of sales and operations.....	290,660,082	68,745,490	13,017,244	6,779,174	175,629,584	3,034,435	17,556,401	5,897,753
Compensation of officers.....	29,438,136	13,150,901	3,019,486	3,848,365	1,806,264	3,189,747	3,647,436	775,937
Repairs.....	5,872,377	2,640,741	708,901	142,731	249,687	140,220	1,911,002	79,096
Bad debts.....	47,025,392	30,696,872	12,165,735	517,714	1,438,235	95,819	1,250,424	860,592
Rent paid on business property.....	18,210,641	6,829,776	2,303,253	2,191,385	3,197,837	1,083,914	2,242,022	362,456
Taxes paid.....	25,117,538	7,844,076	2,648,890	1,375,880	6,631,381	958,224	5,020,840	638,247
Interest paid.....	281,838,879	152,701,407	81,350,032	17,996,593	10,543,925	440,612	10,176,530	8,629,780
Contributions or gifts.....	1,029,576	571,211	135,255	85,754	109,094	30,029	68,722	29,510
Amortization.....	4,733,798	1,907,889	1,158,273	297,654	517,769	216,606	430,936	204,670
Depreciation.....	28,318,877	14,801,713	2,937,530	890,253	3,287,595	501,501	4,433,052	1,467,232
Depletion.....	302,101	9,138	21,336	*232	33,191	*27	40,757	197,420
Advertising.....	7,824,392	2,652,874	2,081,466	926,584	908,054	206,379	891,239	157,796
Pension, profit-sharing, stock bonus, and annuity plans.....	4,971,306	1,878,391	595,120	469,758	1,245,308	386,889	287,023	108,818
Employee benefit programs.....	13,383,097	6,306,011	1,613,625	677,246	3,102,973	638,809	759,343	285,091
Net loss, noncapital assets.....	7,110,987	1,768,756	3,955,992	39,692	116,059	25,647	963,308	241,533
Other deductions.....	355,438,774	102,808,824	53,133,331	28,389,797	116,867,990	13,457,518	32,852,843	7,928,473
Total receipts less total deductions.....	73,038,887	39,646,001	11,919,391	5,216,701	17,215,280	1,478,981	-3,626,298	

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS, FORM 1120

Table 16—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued							Nature of business not allocable
	Services							
	Total	Hotels and other lodging places	Personal services	Business services	Auto repair; miscellaneous repair services	Amusement and recreation services	Other services	
	(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)
Number of returns, total.....	408,788	8,651	32,128	130,503	56,554	38,991	140,959	10,711
Total assets.....	541,988,632	45,738,963	15,714,077	204,180,072	40,380,442	100,648,413	135,328,665	1,188,717
Cash.....	36,365,229	2,493,881	1,285,797	13,633,056	2,204,586	4,688,230	12,059,679	174,067
Notes and accounts receivable.....	93,148,653	2,932,019	2,174,461	41,254,465	5,255,767	13,517,131	28,014,810	151,388
Less: Allowance for bad debts.....	5,295,389	284,513	58,719	1,356,564	122,253	701,123	2,772,217	*1,663
Inventories.....	17,670,060	421,371	1,212,497	5,159,011	2,882,975	5,416,078	2,578,127	120,262
Investments in Government obligations.....	3,257,588	*18,823	*13,787	979,822	*84,193	309,336	1,851,626	3,160
Tax-exempt securities.....	2,049,988	*34,117	*136,192	719,716	*110,223	*37,665	1,012,076	*103
Other current assets.....	36,059,386	1,934,568	653,687	14,785,549	2,036,444	8,793,742	7,855,395	33,991
Loans to stockholders.....	6,154,211	856,312	225,143	1,979,007	519,534	1,119,421	1,454,794	*23,150
Mortgage and real estate loans.....	6,406,111	647,004	*50,266	3,830,037	219,228	508,399	1,151,177	
Other investments.....	118,312,986	10,129,128	1,210,281	52,318,943	2,450,029	25,725,999	26,478,606	242,414
Depreciable assets.....	246,065,801	27,836,386	10,781,938	74,443,095	32,869,788	39,783,955	60,350,638	485,405
Less: Accumulated depreciation.....	108,690,393	9,225,415	5,939,272	37,605,221	12,896,457	18,725,739	24,298,289	155,485
Depletable assets.....	197,524	*6,343	86,557	86,557	*8,446	*25,388	70,791	*1,109
Less: Accumulated depletion.....	87,442	*1,023	29,645	29,645	*611	*20,311	35,852	*928
Land.....	15,060,548	4,332,829	712,440	1,653,841	1,144,913	3,351,050	3,865,475	*35,052
Intangible assets (amortizable).....	49,159,464	1,132,850	1,776,678	23,502,707	3,088,726	9,880,450	9,778,053	*60,043
Less: Accumulated amortization.....	13,905,430	307,923	344,329	6,884,629	308,713	3,799,001	2,260,835	*9,244
Other assets.....	40,059,736	2,782,205	1,823,231	15,710,325	833,622	10,737,742	8,172,910	25,893
Total liabilities.....	541,988,632	45,738,963	15,714,077	204,180,072	40,380,442	100,648,413	135,328,665	1,188,717
Accounts payable.....	49,066,096	2,045,912	858,339	23,266,892	2,969,859	8,726,995	11,198,089	195,249
Mortgages, notes, and bonds payable in less than one year.....	40,069,301	3,342,168	599,473	15,142,980	7,087,905	4,507,258	9,389,516	275,796
Other current liabilities.....	70,296,644	2,638,777	1,310,378	33,534,148	3,992,661	10,766,038	18,054,642	165,564
Loans from stockholders.....	16,957,556	3,033,063	618,248	6,540,295	1,168,570	2,246,704	3,350,676	273,179
Mortgages, notes, and bonds payable in one year or more.....	142,167,851	19,287,003	3,721,423	47,833,879	12,769,411	24,558,963	33,997,172	395,132
Other liabilities.....	49,962,080	3,506,581	1,579,956	17,368,904	2,305,838	12,515,171	12,685,629	28,800
Capital stock.....	36,883,659	5,656,281	1,132,535	12,714,072	2,085,749	6,994,929	8,300,094	172,144
Paid-in or capital surplus.....	132,976,511	10,481,063	2,237,631	48,231,523	3,894,833	28,143,692	39,987,780	133,164
Retained earnings, appropriated.....	629,682	17,059	*61,049	220,442	76,347	84,330	170,455	
Retained earnings, unappropriated.....	13,141,726	-3,780,543	4,216,004	4,096,092	4,731,032	3,828,839	50,302	-450,306
Less: Cost of treasury stock.....	10,162,472	488,401	620,958	4,769,154	701,754	1,724,505	1,857,700	*3
Total receipts.....	596,543,596	30,065,803	23,859,294	221,379,208	56,359,643	66,830,343	198,049,308	934,435
Business receipts.....	551,371,605	26,682,951	22,730,725	203,208,383	52,115,183	59,188,031	187,446,331	819,346
Interest.....	8,707,346	823,956	385,948	3,358,634	560,183	1,645,318	1,933,307	18,966
Interest on Government obligations:								
State and local.....	469,908	6,644	19,521	282,897	9,570	19,290	131,987	
Rents.....	7,315,389	419,047	41,936	3,556,485	1,571,447	728,880	997,593	*10,500
Royalties.....	3,833,251	220,598	129,046	1,381,695	*40,642	1,594,172	467,098	*490
Net short-term capital gain reduced by net long-term capital loss.....	189,699	18,010	*2,623	49,837	17,626	26,730	74,872	111
Net long-term capital gain reduced by net short-term capital loss.....	2,228,527	358,543	136,960	802,218	89,915	212,374	628,517	*14,211
Net gain, noncapital assets.....	2,446,244	50,633	20,985	905,932	1,082,279	168,365	218,050	*14,057
Dividends received from domestic corporations.....	306,915	21,879	27,160	119,778	6,995	47,205	83,899	*885
Dividends received from foreign corporations.....	812,697	88,993	*28,154	441,744	*5,217	225,907	22,684	
Other receipts.....	18,862,014	1,374,547	336,237	7,271,605	860,586	2,974,071	6,044,969	55,869
Total deductions.....	598,636,105	30,196,894	22,955,584	217,251,484	55,727,447	66,806,952	195,697,764	1,075,647
Cost of sales and operations.....	214,366,386	12,551,664	8,672,870	85,843,693	25,717,888	24,416,248	57,164,023	413,205
Compensation of officers.....	28,280,270	348,218	1,299,116	10,398,906	2,185,710	2,700,424	11,347,897	65,834
Repairs.....	4,850,257	401,694	278,213	1,241,824	918,583	611,622	1,398,320	15,111
Bad debts.....	5,394,759	303,727	126,371	1,195,736	195,321	1,031,808	2,541,796	*23,816
Rent paid on business property.....	20,670,697	818,675	1,146,168	7,323,102	2,385,620	2,207,177	6,789,954	62,992
Taxes paid.....	20,048,835	1,403,608	1,037,333	7,133,929	1,891,747	1,912,277	6,669,942	29,236
Interest paid.....	18,626,577	2,195,388	640,364	6,039,568	2,027,329	3,238,012	4,485,917	37,939
Contributions or gifts.....	306,657	10,230	20,543	146,941	22,059	36,158	70,726	*1,549
Amortization.....	4,273,783	100,797	122,363	1,359,704	130,236	1,778,026	782,656	*4,467
Depreciation.....	27,011,679	1,422,599	873,289	10,161,094	5,437,384	4,351,415	4,765,897	36,664
Depletion.....	24,331	160	3	8,464	*3	*1,202	14,500	*25
Advertising.....	8,019,155	630,151	507,792	3,063,832	694,267	1,747,280	1,375,832	8,452
Pension, profit-sharing, stock bonus, and annuity plans.....	3,675,779	47,278	128,850	1,310,083	291,947	190,523	1,707,099	*7,161
Employee benefit programs.....	10,635,127	486,088	309,649	3,782,484	728,282	491,841	4,836,783	*11,077
Net loss, noncapital assets.....	1,137,711	155,017	38,381	425,822	53,188	169,789	295,514	*40,575
Other deductions.....	221,314,102	9,321,599	7,754,280	77,816,283	13,047,881	21,923,151	91,450,907	317,543
Total receipts less total deductions.....	7,907,490	-131,092	903,711	4,127,744	632,196	23,390	2,351,542	-141,212
Constructive taxable income from related foreign corporations.....	633,421	*28,814	15,482	394,810	8,355	160,707	25,254	
Net income (less deficit), total.....	8,071,003	-108,922	899,671	4,239,657	630,981	164,808	2,244,809	-141,212
Income subject to tax.....	17,774,913	976,324	1,054,333	6,876,838				

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120

Table 17—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry

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

Item	Major industry						
	All industries	Agriculture, forestry, and fishing	Mining				Nonmetallic minerals, except fuels
			Total	Metal mining	Coal mining	Oil and gas extraction	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of returns, total.....	870,835	40,448	7,281	85	287	5,992	837
Total assets.....	12,657,719,438	33,450,275	107,723,813	22,591,884	13,802,884	60,242,848	11,288,420
Cash.....	555,530,141	2,422,855	4,926,018	1,189,048	349,726	2,801,824	585,420
Notes and accounts receivable.....	3,214,979,019	3,231,980	11,785,012	2,047,295	2,115,140	6,482,947	1,139,630
Less: Allowance for bad debts.....	87,434,683	19,622	113,349	6,461	*5,675	73,849	27,364
Inventories.....	556,233,992	4,473,011	3,517,612	875,998	441,180	1,531,999	668,434
Investments in Government obligations.....	771,069,960	112,775	495,518	15,718	*81,437	269,074	*129,288
Tax-exempt securities.....	190,766,295	117,092	243,331	*5,269	*107,381	*89,612	*41,069
Other current assets.....	847,265,925	1,269,484	4,999,872	1,396,118	655,262	2,243,522	704,970
Loans to stockholders.....	45,882,383	833,142	347,076	*32,944	*14,058	270,181	29,893
Mortgage and real estate loans.....	1,180,553,107	228,088	80,274	656	*1,039	69,916	*8,664
Other investments.....	2,343,736,925	2,886,232	30,441,741	8,218,977	2,548,540	16,499,350	3,174,872
Depreciable assets.....	3,232,081,344	23,437,606	58,181,154	9,480,122	7,661,892	33,651,847	7,387,293
Less: Accumulated depreciation.....	1,450,608,902	15,180,016	30,755,611	3,686,421	4,140,030	18,526,699	4,402,460
Depletable assets.....	94,148,998	360,537	25,399,163	2,068,679	1,392,736	21,065,965	871,783
Less: Accumulated depletion.....	45,448,746	147,388	11,160,664	557,523	262,271	10,238,619	102,251
Land.....	114,479,745	7,956,426	2,393,522	327,954	718,656	824,944	521,967
Intangible assets (amortizable).....	345,009,630	290,946	4,650,608	541,809	1,482,866	2,366,785	259,148
Less: Accumulated amortization.....	77,343,865	70,745	1,850,645	175,433	533,222	1,104,322	37,669
Other assets.....	826,818,170	1,247,873	4,143,182	817,133	974,148	2,018,169	333,732
Total liabilities.....	12,657,719,438	33,450,275	107,723,813	22,591,884	13,802,884	60,242,848	11,288,420
Accounts payable.....	1,128,386,526	1,746,513	7,400,030	2,009,174	768,606	3,831,440	790,810
Mortgages, notes, and bonds payable in less than one year.....	1,092,624,322	4,256,190	6,725,535	1,144,252	266,168	3,852,794	1,462,320
Other current liabilities.....	4,215,434,414	1,452,911	5,970,125	1,256,448	856,244	3,237,524	619,909
Loans from stockholders.....	109,738,259	1,459,495	1,211,793	459,714	*79,929	533,115	*139,035
Mortgages, notes, and bonds payable in one year or more.....	1,747,382,181	6,416,043	18,973,665	2,855,266	3,309,524	11,125,352	1,683,523
Other liabilities.....	1,389,831,442	1,708,672	12,510,458	3,080,383	3,749,974	5,042,392	637,709
Capital stock.....	432,573,103	3,903,089	5,056,670	682,839	242,741	3,467,618	663,472
Paid-in or capital surplus.....	1,245,841,167	2,604,015	49,793,452	9,787,118	3,641,298	34,156,745	2,208,292
Retained earnings, appropriated.....	23,220,818	167,670	158,562	14,764	*44	*91,628	*52,126
Retained earnings, unappropriated.....	1,439,617,276	10,685,329	3,473,392	1,421,320	822,917	-2,354,205	3,583,359
Less: Cost of treasury stock.....	166,930,070	949,653	3,549,869	*119,396	134,581	2,741,757	554,136
Total receipts.....	6,962,142,059	46,571,153	52,656,249	8,055,599	9,108,043	27,941,007	7,551,801
Business receipts.....	6,090,092,914	43,001,590	46,255,776	7,414,483	8,044,282	23,664,529	7,132,482
Interest.....	513,073,538	355,186	1,529,238	197,322	190,841	986,016	155,059
Interest on Government obligations:							
State and local.....	13,986,080	16,783	16,602	*1,073	6,432	7,904	*1,192
Rents.....	67,903,862	401,969	244,387	13,732	26,901	174,157	29,597
Royalties.....	34,736,319	87,331	334,579	*36,207	90,942	185,272	22,158
Net short-term capital gain reduced by net long-term capital loss.....	3,255,198	10,593	42,124	111	*9,654	31,152	*1,207
Net long-term capital gain reduced by net short-term capital loss.....	28,934,905	544,557	837,268	65,226	223,520	525,614	22,908
Net gain, noncapital assets.....	20,967,035	272,144	450,379	27,764	62,965	308,774	50,875
Dividends received from domestic corporations.....	8,747,334	67,446	94,274	*26,932	14,195	32,632	20,514
Dividends received from foreign corporations.....	26,602,679	57,122	167,831	*12,499	5,901	137,949	*11,481
Other receipts.....	153,842,196	1,756,432	2,683,793	260,248	432,411	1,887,007	104,127
Total deductions.....	6,573,210,573	43,910,271	47,377,144	7,257,410	8,468,835	24,588,312	7,061,787
Cost of sales and operations.....	3,879,875,001	26,090,076	26,726,760	4,426,383	5,592,523	12,420,059	4,287,794
Compensation of officers.....	101,233,478	1,576,020	671,945	33,849	58,592	447,821	131,683
Repairs.....	62,953,307	793,431	556,572	91,665	147,370	116,962	200,574
Bad debts.....	55,629,168	115,463	73,368	19,218	9,381	26,802	17,967
Rent paid on business property.....	103,618,856	1,221,888	431,829	26,308	69,143	265,594	80,783
Taxes paid.....	170,411,810	1,072,456	1,834,864	217,363	529,303	852,579	235,619
Interest paid.....	411,902,254	967,947	2,410,325	430,695	284,031	1,470,456	225,143
Contributions or gifts.....	5,323,214	31,465	41,200	5,504	3,798	23,792	8,106
Amortization.....	19,514,681	65,506	280,536	109,467	49,278	103,264	18,528
Depreciation.....	230,445,453	1,609,391	3,012,104	572,840	387,210	1,585,951	466,103
Depletion.....	6,447,314	29,027	1,964,879	570,096	312,827	925,234	156,721
Advertising.....	88,168,511	189,321	64,228	*4,008	2,887	42,532	14,801
Pension, profit-sharing, stock bonus, and annuity plans.....	31,833,467	102,377	247,636	13,673	36,347	138,765	58,851
Employee benefit programs.....	91,923,336	387,046	629,553	40,134	209,573	237,263	142,583
Net loss, noncapital assets.....	6,088,183	67,921	75,945	20,650	1,083	51,839	2,373
Other deductions.....	1,307,842,540	9,590,935	8,355,401	675,558	776,287	5,889,399	1,014,157
Total receipts less total deductions.....	388,931,486	2,660,881	5,279,106	798,189	638,408	3,352,695	489,813
Constructive taxable income from related foreign corporations.....	25,966,791	*90,008	183,380	10,673	-	172,098	609
Net income.....	400,912,197	2,734,106	5,445,884	807,788	631,977	3,516,889	489,231
Income subject to tax.....	354,815,195	1,963,771	4,230,807	681,191	562,682	2,601,060	385,874
Income tax, total *.....	122,682,747	552,638	1,613,919	292,829	229,728	944,217	147,146
Regular tax.....	118,099,581	533,354	1,420,805	232,473	190,031	872,055	126,246
Personal holding company tax.....	20,274	-	*542	-	-	*542	-
Recapture of investment credit.....	22,743	-	*6	-	-	*6	1
Alternative minimum tax.....	4,117,784	17,554	186,576	58,803	38,819	67,613	21,341
Environmental tax.....	463,800	1,011	7,182	1,504	1,102	4,003	573
Foreign tax credit.....	21,397,038	42,801	599,700	132,853	3,686	456,890	*6,272
U.S. possessions tax credit.....	3,748,561	3,944	-	-	-	-	-
Orphan drug credit.....	17,826	-	-	-	-	-	-
Nonconventional source fuel credit.....	232,751	39	20,042	-	172	19,869	-
General business credit.....	1,885,843	13,210	21,221	72	*600	18,940	*1,609
Prior year minimum tax credit.....	2,043,962	6,352	47,459	2,552	11,291	31,412	*2,205
Total income tax after credits.....	93,356,766	486,293	925,496	157,352	213,978	417,106	137,060

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120

Table 17—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued								
	Construction				Manufacturing				
	Total	General building contractors and operative builders	Heavy construction contractors	Special trade contractors	Total	Food and kindred products	Tobacco manufactures	Textile mill products	Apparel and other textile products
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
Number of returns, total.....	104,825	42,385	5,891	56,339	94,175	5,494	***	1,758	3,152
Total assets.....	115,008,844	51,922,142	33,785,581	28,301,121	2,910,655,810	283,453,021	***	33,372,781	26,260,887
Cash.....	11,935,859	4,843,660	3,208,461	3,883,738	68,465,997	5,874,117	***	812,464	1,016,625
Notes and accounts receivable.....	30,708,259	11,997,552	7,001,552	11,709,156	629,530,570	78,774,204	***	6,340,817	4,983,723
Less: Allowance for bad debts.....	262,835	57,072	97,319	108,444	11,460,539	557,188	***	162,063	124,590
Inventories.....	11,110,208	7,453,445	1,150,983	2,505,780	236,584,860	23,819,992	***	5,862,128	6,099,234
Investments in Government obligations.....	1,189,949	678,773	470,923	40,253	21,856,503	2,191,773	***	741,934	*38,637
Tax-exempt securities.....	1,110,833	54,001	938,927	117,906	16,146,588	455,294	***	*55,069	*7,131
Other current assets.....	10,578,205	6,400,032	1,757,845	2,420,329	130,859,815	9,171,293	***	718,260	980,050
Loans to stockholders.....	2,312,263	606,900	1,096,708	608,655	12,817,159	1,023,511	***	143,474	61,109
Mortgage and real estate loans.....	5,898,268	5,732,159	59,423	106,686	22,924,457	29,789	***	*13,957	*6,378
Other investments.....	16,640,878	6,658,981	8,769,101	1,212,796	781,382,181	67,553,729	***	3,655,913	6,565,444
Depreciable assets.....	44,000,141	10,245,929	17,600,685	16,153,527	1,249,734,090	102,392,279	***	21,118,616	7,135,877
Less: Accumulated depreciation.....	27,084,779	5,646,400	10,794,805	10,643,574	645,098,898	46,182,807	***	11,203,767	3,383,097
Depletable assets.....	308,316	*111,831	157,813	*38,671	56,100,871	*79,370	***	24,516	-
Less: Accumulated depletion.....	125,525	*41,221	55,463	*28,842	28,909,042	*16,607	***	1,707	-
Land.....	2,818,492	1,569,139	657,462	591,890	33,388,050	3,969,194	***	260,014	179,783
Intangible assets (amortizable).....	935,126	342,674	237,900	354,551	201,903,324	21,268,782	***	1,425,383	1,547,208
Less: Accumulated amortization.....	256,332	96,452	68,108	93,773	48,559,670	2,190,655	***	280,410	356,662
Other assets.....	3,193,520	1,068,212	1,693,493	431,815	182,989,294	15,796,951	***	3,848,184	1,504,067
Total liabilities.....	115,008,844	51,922,142	33,785,581	28,301,121	2,910,655,810	283,453,021	***	33,372,781	26,260,887
Accounts payable.....	19,712,911	10,182,793	3,907,904	5,622,214	321,799,780	67,231,238	***	2,863,499	2,644,458
Mortgages, notes, and bonds payable in less than one year.....	10,477,255	6,374,259	1,564,204	2,538,792	234,513,357	20,484,872	***	2,002,091	2,249,866
Other current liabilities.....	14,761,409	7,899,952	2,996,242	3,865,214	219,622,660	18,546,666	***	2,099,983	2,556,871
Loans from stockholders.....	3,000,573	1,435,933	671,756	892,885	44,304,896	2,165,280	***	216,144	258,718
Mortgages, notes, and bonds payable in one year or more.....	17,740,331	11,039,650	3,755,560	2,945,122	544,779,819	52,273,965	***	7,674,647	5,884,047
Other liabilities.....	7,535,943	2,336,607	4,118,563	1,080,773	405,819,329	20,973,440	***	3,968,448	1,342,270
Capital stock.....	3,883,254	1,123,100	1,573,751	1,186,403	116,586,345	11,980,234	***	1,171,062	1,393,919
Paid-in or capital surplus.....	11,172,401	2,818,611	7,204,355	1,149,435	500,721,656	42,973,738	***	4,875,186	3,679,217
Retained earnings, appropriated.....	88,690	*37,011	*11,380	*40,299	3,873,301	725,372	***	6,748	*1,622
Retained earnings, unappropriated.....	28,929,460	9,464,441	8,673,142	10,791,877	621,147,048	63,203,416	***	8,825,379	6,907,220
Less: Cost of treasury stock.....	2,293,383	790,215	691,276	811,892	102,512,580	17,104,199	***	330,405	657,322
Total receipts.....	227,785,847	98,520,579	48,898,821	82,586,447	2,551,773,918	301,379,883	***	42,894,742	37,897,005
Business receipts.....	220,886,601	94,914,052	44,479,229	81,493,320	2,363,560,784	287,274,182	***	41,886,869	36,688,993
Interest.....	2,001,821	1,304,292	485,399	212,130	50,775,515	2,977,658	***	194,937	332,280
Interest on Government obligations:									
State and local.....	82,194	42,211	26,011	13,972	1,352,726	46,969	***	11,902	26,884
Rents.....	712,803	405,396	182,972	124,435	28,149,253	813,685	***	46,980	48,843
Royalties.....	40,114	*4,962	30,997	*4,155	28,178,160	2,736,441	***	63,375	333,691
Net short-term capital gain reduced by net long-term capital loss.....	50,546	18,284	22,297	9,965	443,039	45,624	***	6,322	*7,654
Net long-term capital gain reduced by net short-term capital loss.....	461,470	177,537	155,242	128,692	8,064,788	611,435	***	26,472	22,965
Net gain, noncapital assets.....	448,313	147,397	153,113	147,804	6,254,238	207,901	***	60,358	19,039
Dividends received from domestic corporations.....	98,821	25,023	48,806	24,991	2,850,743	572,195	***	14,280	6,457
Dividends received from foreign corporations.....	132,147	*27,482	103,005	*1,660	22,187,821	2,301,981	***	74,752	165,848
Other receipts.....	2,870,817	1,453,944	1,011,550	405,323	39,956,849	3,791,593	***	298,496	244,351
Total deductions.....	221,233,556	95,782,882	45,334,732	80,115,982	2,401,970,178	285,241,097	***	40,078,819	35,217,359
Cost of sales and operations.....	169,590,468	77,669,700	34,971,326	56,949,443	1,570,420,125	191,278,556	***	30,635,049	25,588,748
Compensation of officers.....	7,432,383	2,587,060	784,574	4,060,748	20,800,239	1,800,955	***	470,306	665,014
Repairs.....	969,411	210,450	327,194	431,768	21,231,763	2,420,991	***	178,053	121,929
Bad debts.....	342,757	99,472	62,980	180,305	6,439,541	281,859	***	95,328	83,393
Rent paid on business property.....	2,196,623	616,524	600,954	979,146	23,795,196	2,448,028	***	249,075	422,618
Taxes paid.....	4,625,895	1,320,170	797,595	2,508,129	65,897,210	7,197,784	***	962,468	882,430
Interest paid.....	2,736,145	1,555,954	613,795	566,397	82,227,865	7,330,992	***	816,720	827,689
Contributions or gifts.....	105,107	40,102	30,703	34,302	2,514,553	331,304	***	41,582	38,151
Amortization.....	106,012	52,638	24,957	28,417	7,998,415	777,724	***	95,847	67,872
Depreciation.....	3,725,681	804,117	1,358,605	1,562,959	86,837,781	7,000,219	***	1,428,817	585,144
Depletion.....	31,170	*5,192	19,632	6,346	3,489,591	11,802	***	2,432	*2
Advertising.....	662,996	229,398	43,621	389,976	49,733,355	14,356,210	***	275,463	752,885
Pension, profit-sharing, stock bonus, and annuity plans.....	1,128,646	289,474	228,396	610,776	13,519,515	1,209,017	***	228,584	154,546
Employee benefit programs.....	2,044,529	538,257	377,804	1,128,469	41,075,211	3,981,228	***	593,611	381,630
Net loss, noncapital assets.....	81,876	27,638	29,095	25,143	1,418,878	77,966	***	8,186	6,461
Other deductions.....	25,453,857	9,736,717	5,063,502						

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120

Table 17—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major Industry—Continued								
	Manufacturing—Continued								
	Lumber and wood products	Furniture and fixtures	Paper and allied products	Printing and publishing	Chemical and allied products	Petroleum (including integrated) and coal products	Rubber and miscellaneous plastics products	Leather and leather products	Stone, clay, and glass products
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
Number of returns, total.....	7,543	3,716	1,068	14,789	***	643	4,808	591	***
Total assets.....	54,401,936	14,787,449	86,385,160	165,124,109	***	518,473,882	28,528,817	15,782,256	***
Cash.....	1,511,669	580,355	854,860	4,485,175	***	1,807,968	1,112,476	251,499	***
Notes and accounts receivable.....	4,471,607	3,631,077	8,784,621	21,452,572	***	59,816,780	5,553,182	3,866,804	***
Less: Allowance for bad debts.....	91,350	112,041	311,503	1,837,203	***	703,353	181,699	45,395	***
Inventories.....	4,875,835	2,844,619	7,392,267	7,185,714	***	16,312,626	4,345,764	2,352,429	***
Investments in Government obligations.....	*283,578	*20,865	384,024	604,529	***	294,795	*29,982	*35,874	***
Tax-exempt securities.....	*847,517	56,972	*34,482	439,523	***	*269,358	20	16,262	***
Other current assets.....	2,634,259	623,596	6,553,320	6,792,252	***	20,920,974	1,003,770	618,176	***
Loans to stockholders.....	92,278	28,956	172,771	746,776	***	891,698	91,335	9,549	***
Mortgage and real estate loans.....	2,393,790	*5,304	*2,292,724	60,932	***	*51,040	*17,413	592	***
Other investments.....	10,361,332	1,703,490	18,551,929	70,188,285	***	222,108,167	3,541,450	502,921	***
Depreciable assets.....	32,497,229	8,070,310	61,855,441	53,852,565	***	281,418,022	19,911,207	5,137,475	***
Less: Accumulated depreciation.....	17,795,520	4,324,241	28,085,949	27,851,671	***	148,740,900	10,176,514	2,890,572	***
Depletable assets.....	4,241,265	*1,061	1,927,317	*120,877	***	41,579,643	*49,764	590	***
Less: Accumulated depletion.....	148,441	623	468,134	*84,060	***	23,679,707	*14,858	-	***
Land.....	729,055	194,605	865,679	1,635,153	***	6,604,788	341,537	5,214,090	***
Intangible assets (amortizable).....	308,915	1,153,200	1,611,918	20,156,651	***	40,575,915	1,537,919	553,602	***
Less: Accumulated amortization.....	82,444	184,773	487,970	4,228,791	***	21,961,033	403,813	132,605	***
Other assets.....	7,271,361	494,716	4,457,360	11,404,830	***	21,107,102	1,771,500	270,965	***
Total liabilities.....	54,401,936	14,787,449	86,385,160	165,124,109	***	518,473,882	28,528,817	15,782,256	***
Accounts payable.....	3,397,636	1,834,842	8,257,810	9,019,075	***	43,823,829	2,953,254	1,064,952	***
Mortgages, notes, and bonds payable in less than one year.....	2,853,763	677,341	5,143,744	6,191,855	***	26,425,958	1,443,293	349,006	***
Other current liabilities.....	3,760,571	1,418,840	11,211,133	13,351,385	***	22,473,595	2,571,030	1,574,640	***
Loans from stockholders.....	195,470	64,144	1,245,821	2,063,124	***	6,737,437	514,137	*33,094	***
Mortgages, notes, and bonds payable in one year or more.....	14,579,004	3,101,216	16,874,085	42,133,277	***	76,293,990	6,104,001	6,561,200	***
Other liabilities.....	9,659,914	915,588	8,356,820	13,293,456	***	87,288,653	3,634,506	4,891,144	***
Capital stock.....	1,298,345	771,450	3,906,543	8,481,929	***	16,994,017	1,445,471	831,910	***
Paid-in or capital surplus.....	8,311,137	1,740,058	9,928,668	45,609,830	***	125,467,190	3,915,794	561,434	***
Retained earnings, appropriated.....	*91,300	*707	*64,039	*36,623	***	461,168	*25,988	122	***
Retained earnings, unappropriated.....	10,676,064	4,480,576	23,637,037	30,053,308	***	138,071,022	6,272,815	96,473	***
Less: Cost of treasury stock.....	421,267	217,313	2,240,540	5,109,754	***	25,562,977	350,671	201,720	***
Total receipts.....	55,892,388	24,583,383	75,560,581	127,178,515	***	427,851,405	44,500,971	15,741,513	***
Business receipts.....	53,420,539	23,831,514	72,141,161	119,704,983	***	403,337,113	42,858,761	15,085,429	***
Interest.....	1,098,772	99,714	997,497	2,033,102	***	7,443,822	274,551	312,053	***
Interest on Government obligations:									
State and local.....	7,959	8,788	10,278	38,294	***	33,178	4,413	4,236	***
Rents.....	85,645	23,279	204,295	556,293	***	2,336,732	60,332	26,008	***
Royalties.....	55,598	70,728	636,179	1,642,503	***	1,260,956	149,486	33,648	***
Net short-term capital gain reduced by net long-term capital loss.....	32,499	*4,534	*871	45,742	***	19,078	*3,687	*173	***
Net long-term capital gain reduced by net short-term capital loss.....	371,129	186,751	301,128	406,643	***	386,630	151,636	52,786	***
Net gain, noncapital assets.....	82,844	18,938	79,359	158,749	***	1,427,447	139,433	638	***
Dividends received from domestic corporations.....	21,553	5,582	62,490	134,172	***	535,857	12,530	3,704	***
Dividends received from foreign corporations.....	58,458	111,035	473,586	324,047	***	3,256,323	297,215	17,370	***
Other receipts.....	657,369	202,500	653,735	2,133,987	***	7,814,270	548,928	206,468	***
Total deductions.....	53,772,085	23,198,195	71,589,076	118,331,528	***	410,822,740	42,008,551	15,281,218	***
Cost of sales and operations.....	38,963,877	16,301,889	45,507,183	57,569,764	***	311,581,904	28,108,622	10,290,112	***
Compensation of officers.....	671,850	363,517	529,696	2,687,815	***	437,542	781,168	146,525	***
Repairs.....	968,854	78,450	1,352,225	768,337	***	4,432,173	508,559	50,653	***
Bad debts.....	86,355	80,936	137,966	865,391	***	431,431	59,682	28,164	***
Rent paid on business property.....	441,238	288,829	633,062	2,142,174	***	3,499,035	477,311	278,648	***
Taxes paid.....	1,198,598	627,081	1,610,299	3,570,251	***	18,511,893	902,981	453,719	***
Interest paid.....	1,658,627	394,340	1,998,298	4,437,915	***	12,541,051	879,251	654,235	***
Contributions or gifts.....	26,008	18,525	62,882	270,686	***	277,708	22,021	12,308	***
Amortization.....	47,732	36,767	162,719	1,696,655	***	1,099,192	116,814	26,232	***
Depreciation.....	1,675,860	555,942	4,195,560	4,302,028	***	11,427,310	1,425,966	309,765	***
Depletion.....	427,420	*573	173,525	*9,173	***	2,168,114	*5,063	94,376	***
Advertising.....	258,410	361,251	663,406	2,901,777	***	880,247	526,953	285,842	***
Pension, profit-sharing, stock bonus, and annuity plans.....	325,851	145,362	551,517	994,355	***	1,258,809	274,390	46,903	***
Employee benefit programs.....	552,122	421,958	1,581,265	2,622,514	***	2,847,880	973,118	159,691	***
Net loss, noncapital assets.....	12,757	8,033	126,736	115,074	***	180,216	26,638	8,251	***
Other deductions.....	6,456,524	3,514,742	12,312,736	33,377,618	***	39,248,234	6,885,013	2,415,796	***
Total receipts less total deductions.....	2,120,281	1,365,168	3,961,505	8,846,989	***	17,028,665	2,491,420	480,296	***
Constructive taxable income from related foreign corporations.....	12,999	64,643	586,642	229,678					

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120

Table 17—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major Industry—Continued							
	Manufacturing—Continued							
	Primary metal industries	Fabricated metal products	Machinery, except electrical	Electrical and electronic equipment	Motor vehicles and equipment	Transportation equipment, except motor vehicles	Instruments and related products	Miscellaneous manufacturing and manufacturing not allocable
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
Number of returns, total.....	1,375	15,141	10,784	6,500	560	1,237	2,281	***
Total assets.....	45,753,324	77,830,227	156,394,616	350,722,335	163,566,273	86,418,787	88,241,852	***
Cash.....	1,747,155	3,191,170	5,377,586	11,925,174	1,468,836	6,373,161	3,687,355	***
Notes and accounts receivable.....	9,649,947	15,854,789	41,788,821	115,255,698	62,202,261	19,488,176	20,479,891	***
Less: Allowance for bad debts.....	173,490	362,624	1,046,123	2,492,463	153,538	461,371	357,114	***
Inventories.....	6,316,988	11,703,664	20,810,074	26,871,431	7,431,160	18,377,808	11,333,395	***
Investments in Government obligations.....	*65,797	185,339	850,682	11,053,074	*3,261,102	221,685	144,784	***
Tax-exempt securities.....	*3,947	103,380	771,938	8,179,535	*695,228	354,116	312,176	***
Other current assets.....	1,369,398	2,892,722	10,459,592	32,040,969	5,415,409	3,280,428	4,881,171	***
Loans to stockholders.....	49,062	207,630	2,232,155	417,369	113,506	568,550	130,851	***
Mortgage and real estate loans.....	*14,038	84,952	85,803	2,657,147	13,829,668	*223,593	*88,138	***
Other investments.....	5,237,757	13,959,971	20,423,232	51,193,308	35,251,694	13,790,337	13,983,670	***
Depreciable assets.....	27,547,224	39,448,614	81,480,864	128,020,631	53,961,390	50,217,665	39,063,125	***
Less: Accumulated depreciation.....	13,496,212	21,945,029	47,874,714	69,352,793	31,973,975	25,808,952	19,799,865	***
Depletable assets.....	615,448	113,745	*53,609	66,192	632	138,101	80	***
Less: Accumulated depletion.....	251,406	*78,570	6,186	17,639	455	*27,892	-	***
Land.....	522,672	919,713	1,584,785	1,725,300	518,599	1,014,482	919,631	***
Intangible assets (amortizable).....	3,888,744	4,989,210	8,203,433	11,923,372	3,104,132	3,083,958	6,057,015	***
Less: Accumulated amortization.....	305,848	559,289	1,876,357	2,734,628	332,917	254,589	1,532,155	***
Other assets.....	2,952,101	6,922,840	13,175,422	23,990,658	8,773,541	5,839,540	7,069,824	***
Total liabilities.....	45,753,324	77,830,227	156,394,616	350,722,335	163,566,273	86,418,787	88,241,852	***
Accounts payable.....	5,332,121	7,205,012	16,253,648	32,505,835	20,754,901	9,926,473	9,823,565	***
Mortgages, notes, and bonds payable in less than one year.....	1,932,162	4,913,581	17,961,708	66,979,310	29,962,274	3,384,676	5,013,776	***
Other current liabilities.....	4,610,238	6,495,671	13,069,776	23,387,248	5,740,909	20,787,426	9,136,951	***
Loans from stockholders.....	810,707	801,390	1,369,786	1,274,073	1,182,351	543,884	840,683	***
Mortgages, notes, and bonds payable in one year or more.....	9,649,841	13,519,439	30,076,397	44,096,676	37,242,400	16,393,047	15,817,367	***
Other liabilities.....	5,404,272	7,846,941	19,484,874	89,364,726	27,159,079	15,671,754	6,544,254	***
Capital stock.....	2,772,862	3,777,327	14,484,741	9,371,359	3,996,108	3,850,979	3,825,228	***
Paid-in or capital surplus.....	7,569,676	13,658,618	17,775,660	30,426,622	21,220,646	5,651,122	13,572,309	***
Retained earnings, appropriated.....	*65,742	38,196	86,160	17,681	732	*251,148	978,158	***
Retained earnings, unappropriated.....	8,323,329	22,207,080	30,682,658	60,121,100	17,295,565	22,831,630	24,899,240	***
Less: Cost of treasury stock.....	717,426	2,833,029	4,830,782	6,822,295	988,691	2,883,342	4,309,675	***
Total receipts.....	51,247,243	95,357,743	188,770,889	248,210,323	112,223,178	124,586,987	89,085,172	***
Business receipts.....	49,621,793	92,067,133	139,597,728	215,870,560	99,910,771	115,763,460	82,497,538	***
Interest.....	368,822	630,591	2,450,220	10,421,098	6,561,611	2,321,381	855,337	***
Interest on Government obligations:								***
State and local.....	5,230	23,628	176,574	578,370	75,531	20,542	50,076	***
Rents.....	45,073	315,860	7,295,088	8,048,925	3,952,568	1,134,769	1,065,488	***
Royalties.....	204,343	366,265	11,292,926	1,962,642	99,856	136,966	1,071,368	***
Net short-term capital gain reduced by net long-term capital loss.....	2,591	5,481	9,684	108,952	20,542	25,006	32,422	***
Net long-term capital gain reduced by net short-term capital loss.....	95,208	324,855	511,048	811,330	121,347	129,374	241,817	***
Net gain, noncapital assets.....	209,288	195,859	169,784	1,410,057	545,624	274,754	168,254	***
Dividends received from domestic corporations.....	14,725	68,679	83,843	317,327	66,173	75,518	37,482	***
Dividends received from foreign corporations.....	235,427	355,218	3,905,036	1,470,403	292,667	1,427,611	1,482,866	***
Other receipts.....	444,743	1,004,174	3,279,039	5,210,658	576,487	3,277,205	1,562,524	***
Total deductions.....	49,183,400	89,783,524	158,750,198	231,580,841	108,511,078	118,199,845	81,880,131	***
Cost of sales and operations.....	37,749,783	63,006,926	94,807,747	140,476,107	75,710,497	90,191,113	94,866,230	***
Compensation of officers.....	439,747	2,250,151	1,855,873	2,129,229	290,317	567,542	839,889	***
Repairs.....	549,000	462,389	928,382	1,566,261	1,255,336	643,836	302,347	***
Bad debts.....	65,185	256,178	409,193	1,653,337	517,722	192,414	160,954	***
Rent paid on business property.....	330,964	760,506	2,076,548	2,892,320	725,645	809,868	674,868	***
Taxes paid.....	1,055,335	2,349,480	3,468,950	5,081,112	1,695,466	1,970,627	1,669,217	***
Interest paid.....	1,055,618	1,914,358	4,342,447	12,241,193	6,247,671	2,501,610	2,250,710	***
Contributions or gifts.....	22,649	58,841	179,342	156,991	26,886	81,782	117,531	***
Amortization.....	107,630	167,014	471,181	686,882	137,135	122,885	327,518	***
Depreciation.....	1,721,819	2,515,662	5,796,552	14,151,325	7,943,027	2,239,452	2,759,199	***
Depletion.....	166,360	4,501	11,396	*3,952	2,810	25,379	7	***
Advertising.....	78,900	1,036,088	1,685,987	2,715,783	886,991	234,302	2,016,465	***
Pension, profit-sharing, stock bonus, and annuity plans.....	429,129	601,533	1,108,286	1,528,652	222,539	689,813	884,668	***
Employee benefit programs.....	1,055,262	2,002,920	3,842,455	4,465,422	2,927,614	2,068,572	1,434,744	***
Net loss, noncapital assets.....	18,261	57,730	187,352	142,854	75,657	126,112	82,272	***
Other deductions.....	4,337,759	12,339,248	37,578,507	41,689,219	10,845,762	15,734,537	19,893,513	***
Total receipts less total deductions.....	2,063,842	5,574,219	10,020,774	14,629,682	2,712,100	6,386,742	7,185,041	***
Constructive taxable income from related foreign corporations.....	177,390	291,322	2,082,426	1,329,875	697,511	171,252	732,582	***
Net income.....	2,236,002	5,841,913	11,926,626	15,381,187	3,334,081	6,537,451	7,867,547	***
Income subject to tax.....	1,870,022	5,218,308	11,125,488	13,613,987	3,005,899	4,870,533	7,066,343	***
Income tax, total ²	700,505	1,754,713	3,880,930	4,812,064	1,161,071	1,684,763	2,407,454	

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120

Table 17--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued								
	Transportation and public utilities				Wholesale and retail trade				
	Total	Transportation	Communication	Electric, gas, and sanitary services	Total	Wholesale trade			
						Total	Groceries and related products	Machinery, equipment, and supplies	Miscellaneous wholesale trade
(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	
Number of returns, total.....	49,278	40,179	***	***	289,887	107,942	8,273	19,247	79,422
Total assets.....	1,332,796,549	136,408,760	***	***	889,845,087	479,512,828	38,322,044	38,786,329	406,404,255
Cash.....	18,015,449	6,144,334	***	***	42,214,367	20,636,245	1,483,942	2,541,449	16,610,853
Notes and accounts receivable.....	138,651,981	18,524,911	***	***	185,308,414	135,867,197	8,908,563	10,640,409	116,318,225
Less: Allowance for bad debts.....	3,889,935	365,950	***	***	3,341,719	2,085,180	217,902	218,872	1,648,407
Inventories.....	23,960,255	1,987,590	***	***	254,468,271	128,849,029	7,901,647	11,815,820	109,131,562
Investments in Government obligations.....	3,204,845	598,152	***	***	35,863,884	34,746,224	*28,666	*63,163	34,654,395
Tax-exempt securities.....	1,349,887	419,151	***	***	1,523,310	703,334	*22,795	*136,189	544,350
Other current assets.....	46,609,980	4,904,839	***	***	50,429,411	38,151,949	925,476	1,508,587	35,717,887
Loans to stockholders.....	2,142,688	723,030	***	***	5,164,967	2,161,119	188,359	427,318	1,545,442
Mortgage and real estate loans.....	2,388,198	484,286	***	***	2,298,509	1,579,675	202,862	67,693	1,309,120
Other investments.....	207,198,754	15,555,015	***	***	75,597,821	42,916,342	5,669,280	2,973,358	34,273,704
Depreciable assets.....	1,187,381,579	136,694,769	***	***	295,282,682	101,049,765	13,802,781	10,323,012	76,923,972
Less: Accumulated depreciation.....	439,544,912	60,793,282	***	***	131,886,480	49,685,529	6,962,743	5,572,485	37,150,301
Depletable assets.....	10,292,725	370,257	***	***	635,927	450,109	9,637	*8,717	431,755
Less: Accumulated depletion.....	4,484,519	156,560	***	***	234,317	206,744	398	*4,812	201,534
Land.....	10,312,053	3,097,492	***	***	25,351,613	6,355,106	708,505	587,050	5,059,551
Intangible assets (amortizable).....	51,716,186	3,457,039	***	***	25,020,797	11,324,305	2,422,273	645,367	8,256,665
Less: Accumulated amortization.....	6,289,259	554,187	***	***	5,486,644	2,419,743	308,749	161,799	1,949,196
Other assets.....	83,780,593	5,317,874	***	***	31,634,276	9,119,427	1,537,049	1,006,164	6,576,214
Total liabilities.....	1,332,796,549	136,408,760	***	***	889,845,087	479,512,828	38,322,044	38,786,329	406,404,255
Accounts payable.....	77,946,242	13,335,023	***	***	138,647,312	80,606,148	7,653,929	7,708,946	65,243,273
Mortgages, notes, and bonds payable in less than one year.....	68,930,979	9,078,442	***	***	167,871,122	125,869,935	2,025,588	6,298,550	117,545,797
Other current liabilities.....	96,870,811	13,045,282	***	***	109,268,893	69,258,139	3,564,173	23,079,317	63,479,737
Loans from stockholders.....	2,973,962	1,428,767	***	***	13,788,082	6,722,386	519,305	738,670	5,464,411
Mortgages, notes, and bonds payable in one year or more.....	381,755,505	33,177,086	***	***	151,752,766	60,152,740	7,340,398	4,498,503	48,313,839
Other liabilities.....	206,982,110	21,706,754	***	***	38,972,614	16,333,417	1,386,402	1,507,320	13,439,694
Capital stock.....	141,043,731	4,502,128	***	***	40,615,295	20,725,238	1,192,371	2,078,818	17,454,049
Paid-in or capital surplus.....	199,821,222	14,480,048	***	***	64,972,527	28,354,375	4,536,376	2,194,338	21,623,662
Retained earnings, appropriated.....	3,276,954	272,053	***	***	774,528	298,196	*38,576	48,708	260,912
Retained earnings, unappropriated.....	170,499,441	28,998,544	***	***	177,415,135	77,899,169	8,845,522	9,857,336	59,196,311
Less: Cost of treasury stock.....	17,304,408	3,615,365	***	***	14,233,186	6,707,115	780,597	5,167,429	5,167,429
Total receipts.....	732,714,133	178,258,581	***	***	1,913,792,688	933,148,594	142,761,384	76,184,207	714,203,003
Business receipts.....	689,123,115	170,357,643	***	***	1,863,492,065	909,132,579	140,022,761	74,203,674	694,906,144
Interest.....	13,179,926	1,866,511	***	***	15,390,336	9,639,732	382,672	387,864	8,869,196
Interest on Government obligations:									
State and local.....	242,565	22,621	***	***	214,753	101,700	15,167	14,177	72,356
Rents.....	8,818,300	1,779,138	***	***	5,517,951	2,356,454	250,692	580,888	1,524,874
Royalties.....	633,872	91,930	***	***	2,005,720	450,814	*32,592	13,523	404,699
Net short-term capital gain reduced by net long-term capital loss.....	147,554	21,125	***	***	138,493	90,263	4,622	2,090	83,551
Net long-term capital gain reduced by net short-term capital loss.....	1,985,729	393,181	***	***	2,572,465	603,397	26,372	76,715	500,310
Net gain, noncapital assets.....	2,485,467	796,888	***	***	1,942,813	959,437	25,912	163,212	770,313
Dividends received from domestic corporations.....	1,348,492	112,092	***	***	456,434	241,204	26,636	10,794	203,773
Dividends received from foreign corporations.....	457,057	93,634	***	***	1,484,184	1,225,663	*4,864	37,476	1,183,323
Other receipts.....	14,292,056	2,723,818	***	***	20,577,454	8,347,352	1,969,095	693,794	5,684,463
Total deductions.....	678,549,368	170,232,521	***	***	1,865,178,832	913,938,845	140,754,554	73,987,934	699,198,157
Cost of sales and operations.....	273,589,894	66,922,822	***	***	1,433,913,526	757,800,376	120,515,610	56,373,191	580,911,575
Compensation of officers.....	4,940,297	2,745,225	***	***	23,558,305	12,177,080	1,179,048	2,028,047	8,969,984
Repairs.....	24,562,191	4,531,741	***	***	6,820,785	2,216,866	457,041	2,323,622	1,526,203
Bad debts.....	6,087,492	600,283	***	***	4,108,500	1,786,388	198,301	210,857	1,377,230
Rent paid on business property.....	14,699,861	6,640,105	***	***	33,017,309	6,921,840	1,008,437	745,937	5,167,610
Taxes paid.....	35,017,382	7,244,821	***	***	28,089,828	10,361,242	1,303,346	1,027,167	8,030,729
Interest paid.....	42,251,300	4,403,848	***	***	24,871,873	11,807,110	887,044	819,784	10,100,281
Contributions or gifts.....	587,339	93,654	***	***	738,719	289,896	55,223	27,800	206,873
Amortization.....	3,829,720	176,647	***	***	1,593,247	670,914	100,252	57,073	513,589
Depreciation.....	68,957,175	8,976,875	***	***	25,928,380	10,317,041	1,103,716	1,246,888	7,966,437
Depletion.....	719,807	84,387	***	***	55,141	51,709	*424	479	50,806
Advertising.....	4,340,804	692,399	***	***	21,520,959	6,900,218	584,792	397,281	5,918,145
Pension, profit-sharing, stock bonus, and annuity plans.....	5,219,722	1,595,189	***	***	4,751,832	2,082,902	313,828	269,150	1,499,924
Employee benefit programs.....	16,373,697	5,220,593	***	***	12,667,734	4,438,203	922,540	560,989	2,954,674
Net loss, noncapital assets.....	1,783,516	190,885	***	***	529,781	167,199	12,163	34,384	120,652
Other deductions.....	175,589,169	60,113,046	***	***					

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120

Table 17—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued									
	Wholesale and retail trade—continued									
	Retail trade									
	Total	Building materials, garden supplies and mobile home dealers	General merchandise stores	Food stores	Automotive dealers and service stations	Apparel and accessory stores	Furniture and home furnishing stores	Eating and drinking places	Miscellaneous retail stores	Wholesale and retail trade not allocable
(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	
Number of returns, total.....	180,850	13,408	3,319	14,427	33,751	11,569	10,944	29,615	63,819	1,074
Total assets.....	409,248,333	22,774,371	110,552,993	70,387,322	45,756,903	37,024,450	14,404,434	44,495,112	63,852,748	1,084,125
Cash.....	21,383,827	1,218,599	2,599,368	4,990,739	3,228,265	1,400,721	1,021,842	2,383,957	4,540,336	194,295
Notes and accounts receivable.....	49,132,848	3,436,916	14,190,117	5,119,956	6,051,647	4,367,754	3,159,118	2,804,864	10,002,475	308,369
Less: Allowance for bad debts.....	1,251,815	65,906	303,683	67,245	98,041	142,079	100,106	98,710	376,045	*4,723
Inventories.....	125,358,746	7,396,589	36,382,593	16,042,530	23,821,042	10,895,602	5,691,813	1,142,549	23,986,027	260,496
Investments in Government obligations.....	1,117,660	*5,361	*449,176	253,182	*50,060	*64,389	*16,700	*43,867	234,825	-
Tax-exempt securities.....	819,975	*2,927	*163,108	*444,207	*12,523	*10,047	*51,893	*40,674	94,596	-
Other current assets.....	12,253,270	1,197,749	2,685,997	1,787,599	1,027,483	2,150,107	368,167	1,083,067	1,953,102	24,192
Loans to stockholders.....	2,999,263	127,905	31,362	190,425	476,859	674,485	94,490	784,001	619,736	*4,585
Mortgage and real estate loans.....	718,833	287,002	*30,474	98,611	54,012	*7,633	122,359	227,571	91,172	-
Other investments.....	32,644,622	1,312,727	7,106,234	4,916,086	1,464,102	5,621,420	1,079,395	6,553,441	4,591,218	*36,857
Depreciable assets.....	193,918,251	9,116,437	51,013,039	46,382,502	14,670,159	15,682,629	4,750,441	29,318,320	22,984,724	314,666
Less: Accumulated depreciation.....	82,018,386	4,183,457	16,500,721	20,671,665	7,750,174	6,564,604	2,332,892	12,563,023	11,451,850	182,565
Depletable assets.....	185,818	*47,764	25,977	*62,919	*33,183	-	-	*13,075	*2,901	-
Less: Accumulated depletion.....	27,573	*7,496	-	*11,004	*512	-	-	*6,852	*1,710	-
Land.....	18,985,585	1,489,266	4,976,301	4,362,362	1,596,057	288,004	214,513	4,569,732	1,489,350	*10,922
Intangible assets (amortizable).....	13,678,828	211,402	2,366,607	1,594,094	387,199	1,938,588	146,782	3,418,368	3,615,788	*17,664
Less: Accumulated amortization.....	3,058,705	78,197	347,004	330,083	160,869	307,495	39,836	847,244	877,977	*8,196
Other assets.....	22,407,286	1,258,785	5,684,047	5,222,107	893,907	1,007,251	254,542	5,732,567	2,354,081	107,564
Total liabilities.....	409,248,333	22,774,371	110,552,993	70,387,322	45,756,903	37,024,450	14,404,434	44,495,112	63,852,748	1,084,125
Accounts payable.....	57,875,628	3,032,089	15,605,798	12,731,468	4,281,231	5,165,426	2,365,329	2,444,295	12,249,992	165,536
Mortgages, notes, and bonds payable in less than one year.....	41,942,172	1,449,616	9,354,137	3,528,738	18,471,292	2,160,259	1,129,052	1,555,405	4,293,673	59,014
Other current liabilities.....	39,909,688	1,745,971	11,926,428	8,768,989	2,685,545	3,814,980	1,399,478	3,872,205	5,696,091	101,067
Loans from stockholders.....	7,041,614	647,407	171,425	569,787	1,587,360	641,009	318,844	764,859	2,340,923	*24,081
Mortgages, notes, and bonds payable in one year or more.....	91,337,008	5,254,014	27,833,432	23,490,438	5,943,341	4,300,158	2,362,849	11,669,355	10,483,422	263,018
Other liabilities.....	22,577,278	682,096	6,012,916	3,597,700	730,457	2,230,167	509,867	6,389,836	2,424,238	*61,920
Capital stock.....	19,724,767	948,745	3,961,060	2,179,732	2,203,259	3,012,239	1,102,990	3,362,951	2,953,790	169,290
Paid-in or capital surplus.....	36,526,307	2,352,666	8,011,545	6,241,736	1,827,479	4,729,540	758,744	4,773,024	7,831,573	*91,845
Retained earnings, appropriated.....	476,331	*6,526	*20,240	*26,064	68,617	*145,870	*58,967	15,222	134,822	-
Retained earnings, unappropriated.....	99,317,396	7,073,778	27,866,931	10,293,090	8,720,535	11,558,192	5,326,913	11,741,010	16,730,947	198,570
Less: Cost of treasury stock.....	7,479,857	418,536	210,919	1,040,420	762,214	733,390	928,600	2,099,054	1,286,723	*46,215
Total receipts.....	978,023,891	50,204,888	209,575,974	235,544,911	170,440,034	71,396,931	28,148,712	61,084,330	150,828,112	2,820,184
Business receipts.....	951,806,782	48,944,784	203,081,962	231,042,143	167,362,441	69,025,779	28,401,093	57,113,828	146,834,752	2,552,704
Interest.....	5,721,527	424,903	1,855,134	481,881	650,237	684,240	286,195	706,287	622,650	29,077
Interest on Government obligations:										
State and local.....	113,036	13,921	14,304	37,160	2,405	12,929	*4,853	11,463	16,000	17
Rents.....	3,150,588	171,124	707,036	748,063	451,351	134,314	76,297	327,201	535,201	*10,909
Royalties.....	1,554,709	113,445	58,233	54,298	*1,490	456,255	*11,883	558,446	300,661	197
Net short-term capital gain reduced by net long-term capital loss.....	48,230	9,380	6,013	7,589	1,249	*1,164	*2,112	9,607	11,116	-
Net long-term capital gain reduced by net short-term capital loss.....	1,968,386	42,853	1,450,358	91,378	48,866	14,819	50,055	128,256	141,800	*683
Net gain, noncapital assets.....	981,280	38,139	196,336	198,775	194,465	3,960	7,817	212,330	129,457	*2,096
Dividends received from domestic corporations.....	214,330	15,301	68,502	10,601	16,760	66,562	3,718	11,616	21,271	*900
Dividends received from foreign corporations.....	258,521	*1,044	37,073	*9,878	*760	86,252	-	108,041	15,474	-
Other receipts.....	12,206,501	429,992	2,101,021	2,863,145	1,710,009	910,657	294,689	1,897,256	1,999,371	23,602
Total deductions.....	948,723,385	48,554,211	200,312,757	231,431,880	168,168,543	68,282,093	28,192,044	57,885,543	145,898,165	2,514,821
Cost of sales and operations.....	674,242,211	35,382,628	141,448,137	175,220,585	140,899,800	41,760,371	18,255,350	22,333,573	98,941,767	1,870,939
Compensation of officers.....	11,258,708	971,117	459,888	851,147	2,296,956	636,108	754,153	1,392,337	3,897,001	122,518
Repairs.....	4,596,141	245,300	814,329	1,354,918	472,800	281,124	116,192	706,554	604,925	7,778
Bad debts.....	2,316,175	135,716	745,878	190,411	190,702	284,112	163,050	52,864	553,444	*5,937
Rent paid on business property.....	26,060,016	646,536	5,763,579	4,132,843	1,843,695	4,734,407	910,142	3,339,234	4,689,581	35,309
Taxes paid.....	17,684,004	918,544	3,763,685	3,539,071	2,095,587	1,622,376	588,340	2,410,933	2,745,467	44,583
Interest paid.....	13,034,169	832,520	3,591,561	2,570,861	1,359,645	900,426	350,517	1,789,761	1,638,877	30,594
Contributions or gifts.....	447,272	18,028	159,672	73,140	27,647	47,141	17,576	32,538	71,531	*1,550
Amortization.....	920,826	27,566	133,930	146,235	55,617	115,553	15,713	197,370	228,841	*1,508
Depreciation.....	15,579,896	643,510	3,965,106	3,470,982	1,452,374	1,430,514	346,617	2,098,536	2,172,256	31,443
Depletion.....	3,432	*2,796	(*)	1	*90	*28	-	*269	*248	-
Advertising.....	14,600,698	574,374	3,433,403	1,970,643	1,515,380	1,362,504	1,197,702	1,503,361	3,043,331	20,043
Pension, profit-sharing, stock bonus, and annuity plans.....	2,648,291	147,937	648,809	810,697	150,051	195,965	72,051	218,010	404,770	*20,639
Employee benefit programs.....	8,218,239	302,463	1,682,936	2,986,411	758,998	601,547	156,138	762,117	967,627	*11,293
Net loss, noncapital assets.....	361,273	10,063	31,038	80,466	30,252	78,055	17,222	27,629	86,547	*1,309
Other deductions.....	156,752,015	7,695,113	33,670,805	34,033,246	15,018,948	14,231,852	5,231,643	21,020,457	25,849,951	309,479
Total receipts less total deductions.....	29,300,506	1,650,675	9,263,217	4,113,031	2,271,490	3,114,838	956,309	3,198,787	4,731,948	105,262
Constructive taxable income from related foreign corporations.....	211,627	-	69,447	1,213	*343	28,444	81	80,494	31,604	-
Net income.....	29,399,116	1,636,754	9,318,360	4,077,304	2,269,428	3,130,363	951,537	3,267,818	4,747,552	105,245
Income subject to tax.....	25,412,654	1,473,793	7,625,696	3,909,050	1,660,789	2,949,025	843,946	2,728,480	4,221,874	91,125
Income tax, total.....	8,324,355	463,847	2,641,774	1,342,435	473,301	965,329	254,146	911,698	1,271,825	28,727
Regular tax.....	8,150,932	458,032	2,585,293	1,299,335	465,491	958,723	252,532	870,404	1,261,123	28,649
Personal holding company tax.....	-	-	-	-	-	-	-	-	-	-
Recapture of investment credit.....	464	-	462	-	-	-	-	(*)	2	-
Alternative minimum tax.....	147,031	4,557	43,278	37,116	11,797	3,296	*1,010	38,092	7,885	-
Environmental tax.....	30,128	1,259	12,741	5,029	435	3,609	603	3,115	3,337	78
Foreign tax credit.....	291,973	*59	52,305	10,957	*156	42,369	1,109	171,488	13,530	63
U.S. possessions tax credit.....	25,031	-	15,156	7,740	1,187	20	-	928	-	-
Orphan drug credit.....	-	-	-	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	*56	-	-	-	*51	-	-	-	-	-
General business credit.....	193,570	6,333	61,215	33,279	8,744	16,468	*2,150	42,580	22,801	*90
Prior year minimum tax credit.....	73,341	2,364	17,643	17,021	11,298	4,146	*2,828	2,254	15,786	*529
Total income tax after credits.....	7,740,384	455,091	2,495,454	1,273,438	451,865</					

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120

Table 17--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued							
	Finance, insurance, and real estate							
	Total	Banking	Credit agencies other than banks	Security, commodity brokers and services	Insurance	Insurance agents, brokers, and service	Real estate	Holding and other investment companies, except bank holding companies
(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)	
Number of returns, total.....	168,125	8,715	***	4,872	1,622	***	109,283	14,562
Total assets.....	6,929,248,010	3,815,840,073	***	543,984,238	856,169,403	***	95,785,959	154,927,778
Cash.....	383,039,293	286,429,103	***	11,923,783	8,287,685	***	9,255,762	3,346,326
Notes and accounts receivable.....	2,157,569,904	1,631,059,210	***	129,091,030	72,992,529	***	6,912,867	36,523,843
Less: Allowance for bad debts.....	65,115,116	46,090,292	***	379,385	1,819,626	***	295,711	365,121
Inventories.....	11,755,305	514,560	***	853,576	2,499,039	***	3,135,078	583,622
Investments in Government obligations.....	706,134,615	542,547,211	***	34,168,472	66,345,841	***	9,199,224	2,840,897
Tax-exempt securities.....	168,334,418	64,095,784	***	1,993,211	80,424,234	***	592,603	957,965
Other current assets.....	580,976,401	183,012,358	***	182,254,683	136,021,083	***	5,403,103	10,139,184
Loans to stockholders.....	17,578,968	919,929	***	1,129,363	1,188,333	***	1,585,229	6,645,339
Mortgage and real estate loans.....	1,141,391,647	368,809,766	***	1,348,548	42,209,166	***	3,149,276	1,732,981
Other investments.....	1,159,398,876	355,428,054	***	156,906,008	384,549,743	***	16,435,153	55,832,931
Depreciable assets.....	211,707,849	89,146,346	***	7,954,696	23,255,219	***	52,152,383	8,938,149
Less: Accumulated depreciation.....	85,639,086	38,201,677	***	3,930,585	6,182,599	***	19,359,143	4,059,971
Depletable assets.....	904,396	11,486	***	*1,396	384,626	***	291,141	205,377
Less: Accumulated depletion.....	319,480	3,303	***	*801	176,520	***	96,854	40,828
Land.....	24,113,657	7,182,727	***	147,805	1,061,686	***	11,784,320	929,878
Intangible assets (amortizable).....	33,105,184	14,891,192	***	1,422,729	3,586,890	***	1,190,405	1,916,125
Less: Accumulated amortization.....	7,443,339	3,219,512	***	482,143	807,344	***	388,817	376,328
Other assets.....	491,754,518	359,307,131	***	19,581,851	42,349,419	***	3,119,941	29,177,409
Total liabilities.....	6,929,248,010	3,815,840,073	***	543,984,238	856,169,403	***	95,785,959	154,927,778
Accounts payable.....	534,987,397	325,723,677	***	97,346,956	16,647,679	***	2,485,650	4,076,204
Mortgages, notes, and bonds payable in less than one year.....	580,039,192	200,871,279	***	35,434,732	22,822,341	***	7,884,042	55,435,460
Other current liabilities.....	3,719,907,133	2,566,449,351	***	334,017,090	222,574,425	***	5,281,567	5,680,832
Loans from stockholders.....	34,519,652	9,130,914	***	735,929	5,748,304	***	5,252,187	3,526,171
Mortgages, notes, and bonds payable in one year or more.....	552,207,020	167,522,170	***	21,655,542	32,769,788	***	29,972,878	28,195,440
Other liabilities.....	681,472,208	177,462,409	***	26,671,550	333,227,986	***	7,598,445	11,049,664
Capital stock.....	105,144,598	58,513,115	***	3,984,020	13,334,795	***	7,845,649	9,265,755
Paid-in or capital surplus.....	350,882,270	148,539,290	***	11,077,815	96,103,149	***	19,329,588	24,619,970
Retained earnings, appropriated.....	14,465,363	2,049,431	***	*164,454	7,350,729	***	1,179,569	2,157,789
Retained earnings, unappropriated.....	374,004,700	162,953,676	***	14,956,223	111,830,719	***	10,667,422	12,963,206
Less: Cost of treasury stock.....	18,381,523	3,775,239	***	2,060,073	6,240,512	***	1,711,038	1,037,712
Total receipts.....	1,015,835,588	424,856,931	***	63,446,989	278,270,848	***	44,060,121	23,159,242
Business receipts.....	474,071,117	121,337,986	***	36,109,506	213,170,173	***	32,101,097	9,060,277
Interest.....	424,289,125	254,083,092	***	19,821,364	39,007,619	***	1,829,100	8,529,741
Interest on Government obligations:								
State and local.....	11,612,040	6,067,108	***	191,263	4,255,063	***	76,499	100,947
Rents.....	18,518,847	9,376,228	***	639,931	1,564,773	***	3,801,089	1,345,943
Royalties.....	629,552	39,907	***	19,656	54,886	***	191,059	244,056
Net short-term capital gain reduced by net long-term capital loss.....	2,259,661	172,219	***	368,891	1,383,562	***	66,311	166,832
Net long-term capital gain reduced by net short-term capital loss.....	12,656,834	1,743,992	***	509,802	5,649,321	***	1,875,955	1,251,494
Net gain, noncapital assets.....	7,167,643	4,695,932	***	27,852	346,808	***	195,322	118,944
Dividends received from domestic corporations.....	3,566,111	798,790	***	205,584	1,214,807	***	220,235	609,305
Dividends received from foreign corporations.....	1,442,622	298,547	***	65,211	617,010	***	6,783	263,583
Other receipts.....	59,622,036	26,243,131	***	5,487,929	11,006,825	***	3,696,671	1,466,119
Total deductions.....	918,471,315	381,458,577	***	57,732,623	259,971,008	***	38,890,893	19,381,119
Cost of sales and operations.....	229,382,795	68,313,921	***	5,236,673	133,963,201	***	9,995,669	4,550,495
Compensation of officers.....	23,796,650	11,628,048	***	3,427,885	1,327,482	***	2,004,264	539,624
Repairs.....	4,522,951	2,432,022	***	131,108	199,169	***	980,483	49,076
Bad debts.....	35,792,358	24,955,915	***	453,660	1,273,631	***	225,935	506,469
Rent paid on business property.....	14,597,475	5,910,476	***	2,030,589	2,573,716	***	1,103,287	252,148
Taxes paid.....	19,846,301	7,309,758	***	1,263,025	5,402,840	***	2,410,842	363,546
Interest paid.....	246,383,949	141,435,034	***	16,247,315	8,666,605	***	3,230,511	6,352,910
Contributions or gifts.....	1,004,085	571,013	***	85,032	95,425	***	60,064	28,155
Amortization.....	3,492,825	1,762,872	***	160,967	436,655	***	145,419	67,542
Depreciation.....	23,029,794	13,548,440	***	811,960	2,663,432	***	1,937,082	1,273,083
Depletion.....	144,056	9,016	***	*232	31,296	***	27,818	74,816
Advertising.....	6,890,337	2,494,486	***	897,334	741,800	***	534,666	128,050
Pension, profit-sharing, stock bonus, and annuity plans.....	4,226,153	1,764,929	***	442,324	953,725	***	154,751	69,048
Employee benefit programs.....	11,108,427	5,767,189	***	619,948	2,230,731	***	337,069	193,778
Net loss, noncapital assets.....	1,754,241	685,989	***	30,117	100,029	***	51,616	44,831
Other deductions.....	290,498,918	92,869,471	***	25,894,453	99,311,272	***	15,691,417	4,867,548
Total receipts less total deductions.....	99,364,273	43,398,353	***	5,714,366	18,299,841	***	5,169,228	3,798,123
Constructive taxable income from related foreign corporations.....	4,791,100	2,465,906	***	652,667	914,243	***	*3,386	229,645
Net income.....	92,543,333	39,797,151	***	6,175,770	14,959,021	***	5,096,116	3,926,822
Income subject to tax.....	79,635,050	35,971,951	***	5,786,866	13,041,407	***	3,579,647	2,979,028
Income tax, total ²	27,616,606	12,580,139	***	1,990,738	4,788,150	***	1,046,330	1,021,017
Regular tax.....	26,724,076	12,209,758	***	1,960,777	4,451,666	***	1,008,578	962,858
Personal holding company tax.....	16,193	*66	***	(*)	299			

Corporation Returns/1992

RETURNS WITH NET INCOME, FORM 1120

Table 17--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued							Nature of business not allocable
	Services							
	Total	Hotels and other lodging places	Personal services	Business services	Auto repair, miscellaneous repair services	Amusement and recreation services	Other services	
(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)	
Number of returns, total.....	213,788	4,465	19,438	68,978	33,506	18,400	67,882	3,061
Total assets.....	338,607,525	18,814,062	12,312,127	133,951,135	30,647,683	47,170,473	95,712,046	383,724
Cash.....	24,460,785	1,428,634	1,089,392	9,326,959	1,661,057	3,075,322	7,879,421	49,518
Notes and accounts receivable.....	58,129,895	964,179	1,714,442	27,869,645	3,613,413	3,949,370	20,018,845	*63,004
Less: Allowance for bad debts.....	3,231,108	113,225	47,222	811,335	73,528	264,411	1,921,387	*459
Inventories.....	10,324,444	247,598	816,486	3,353,615	2,056,228	2,139,112	1,711,405	*40,026
Investments in Government obligations.....	2,208,712	*18,823	*13,787	743,332	*84,193	*73,370	1,275,206	3,160
Tax-exempt securities.....	1,940,732	*21,781	*135,093	699,326	*110,199	*13,740	960,594	*103
Other current assets.....	21,537,523	526,026	522,473	10,881,793	1,621,931	3,284,651	4,700,648	*5,233
Loans to stockholders.....	4,672,476	775,486	162,405	1,439,639	415,256	952,772	926,918	*13,644
Mortgage and real estate loans.....	5,343,667	223,825	*50,266	3,643,719	187,330	148,770	1,089,758	-
Other investments.....	70,114,370	2,963,624	1,077,624	34,934,801	2,069,388	8,761,530	20,307,404	*76,072
Depreciable assets.....	162,182,651	13,340,931	8,191,299	47,060,655	25,898,004	25,023,053	42,668,709	173,592
Less: Accumulated depreciation.....	75,359,182	5,230,010	4,668,452	26,055,002	10,300,979	12,065,380	17,039,359	59,938
Depletable assets.....	145,955	*6,343	-	69,991	*529	*20,067	*49,026	*1,109
Less: Accumulated depletion.....	66,884	*1,023	-	19,845	*485	*15,108	*30,422	*928
Land.....	8,128,030	1,675,229	597,632	1,019,992	816,366	1,401,694	2,617,118	*17,903
Intangible assets (amortizable).....	27,386,763	324,184	1,372,763	12,735,071	2,081,687	4,993,825	5,879,234	*696
Less: Accumulated amortization.....	7,384,961	130,038	268,842	3,461,216	165,494	1,900,807	1,458,564	*268
Other assets.....	28,073,658	1,771,696	1,552,982	10,519,994	572,589	7,578,905	6,077,492	*1,256
Total liabilities.....	338,607,525	18,814,062	12,312,127	133,951,135	30,647,683	47,170,473	95,712,046	383,724
Accounts payable.....	26,140,431	575,873	530,788	13,035,129	1,933,630	2,657,256	7,407,755	*5,910
Mortgages, notes, and bonds payable in less than one year.....	19,804,617	698,296	367,156	8,334,205	3,834,946	1,255,743	5,314,271	*6,075
Other current liabilities.....	47,560,761	1,069,365	1,075,840	2,397,614	3,165,327	5,237,640	12,614,975	*19,710
Loans from stockholders.....	8,449,867	874,028	338,513	4,127,274	582,861	975,839	1,551,353	*29,939
Mortgages, notes, and bonds payable in one year or more.....	73,622,509	6,504,857	2,624,646	23,905,300	10,318,537	8,993,877	21,275,291	*134,523
Other liabilities.....	34,823,892	1,934,906	1,173,378	13,049,093	1,971,216	7,992,474	8,702,825	*6,217
Capital stock.....	16,258,421	1,868,065	734,806	5,969,379	1,257,291	2,329,704	4,099,177	81,700
Paid-in or capital surplus.....	65,841,838	2,519,328	1,446,078	28,413,178	2,218,488	7,920,435	23,324,330	*31,786
Retained earnings, appropriated.....	415,750	12,524	*32,914	106,519	*58,348	*72,170	133,275	-
Retained earnings, unappropriated.....	53,394,906	3,176,896	4,535,855	16,147,175	5,918,523	10,857,582	12,758,875	67,864
Less: Cost of treasury stock.....	7,705,467	420,078	547,847	3,533,730	1,122,248	611,482	1,470,082	-
Total receipts.....	420,683,894	19,035,709	18,508,335	158,993,150	40,690,428	43,551,203	139,905,068	328,811
Business receipts.....	389,447,307	17,274,018	17,549,112	145,716,868	36,869,765	39,512,340	132,525,205	*254,560
Interest.....	5,541,649	284,035	353,611	2,291,276	503,914	749,094	1,359,769	10,742
Interest on Government obligations:								
State and local.....	448,417	5,937	19,450	273,734	*9,132	17,909	122,255	-
Rents.....	5,531,231	228,483	35,684	2,898,136	1,433,928	306,885	628,114	*9,120
Royalties.....	2,826,503	40,297	128,969	1,120,655	*23,294	1,192,390	320,899	*489
Net short-term capital gain reduced by net long-term capital loss.....	163,187	*15,292	*2,622	44,191	*17,613	25,027	58,443	-
Net long-term capital gain reduced by net short-term capital loss.....	1,797,583	293,176	*105,741	662,419	84,984	120,882	530,382	*14,211
Net gain, noncapital assets.....	1,931,982	45,657	19,224	634,283	991,704	68,594	172,519	*14,057
Dividends received from domestic corporations.....	265,008	17,185	26,791	108,523	3,359	42,683	66,468	5
Dividends received from foreign corporations.....	673,894	66,304	*28,154	385,529	*4,924	176,607	12,377	-
Other receipts.....	12,057,132	765,326	238,980	4,857,536	747,813	1,338,841	4,108,637	*25,627
Total deductions.....	398,232,112	17,722,905	17,325,646	149,948,235	39,252,690	40,866,683	133,015,943	289,698
Cost of sales and operations.....	150,107,080	8,917,686	6,236,518	60,540,695	16,775,925	17,314,382	40,321,872	*54,279
Compensation of officers.....	18,449,686	202,417	905,003	7,379,892	1,593,159	1,848,859	6,520,357	*7,952
Repairs.....	3,493,756	207,566	224,378	891,522	823,119	335,490	1,011,681	*2,447
Bad debts.....	2,659,164	169,327	86,425	659,598	117,495	126,688	1,499,632	10,524
Rent paid on business property.....	13,622,796	446,833	810,044	4,943,510	1,614,645	1,339,459	4,468,305	*35,878
Taxes paid.....	14,021,661	792,226	821,661	5,250,973	1,400,594	1,077,605	4,678,602	6,212
Interest paid.....	10,045,245	805,920	517,319	3,277,410	1,495,935	1,223,282	2,725,378	*7,605
Contributions or gifts.....	300,606	10,148	19,057	145,679	20,419	35,565	69,738	*140
Amortization.....	2,148,385	43,959	93,556	751,975	75,417	725,680	457,798	*34
Depreciation.....	17,331,798	700,688	640,310	5,950,622	4,396,161	2,287,640	3,356,376	*13,349
Depletion.....	13,644	158	3	*1,389	*3	*1,202	10,889	-
Advertising.....	4,764,976	308,393	425,561	1,852,090	483,029	780,028	915,874	*1,536
Pension, profit-sharing, stock bonus, and annuity plans.....	2,637,585	32,382	104,471	998,677	275,871	139,430	1,086,755	-
Employee benefit programs.....	7,634,584	272,907	233,533	2,816,809	563,677	240,243	3,507,413	*2,555
Net loss, noncapital assets.....	376,018	21,964	11,703	185,562	15,790	21,610	119,390	6
Other deductions.....	150,625,128	4,790,331	6,196,102	54,301,832	9,601,452	13,469,530	62,265,881	147,180
Total receipts less total deductions.....	22,451,781	1,312,804	1,182,689	9,044,915	1,437,738	2,584,510	6,889,125	39,113
Constructive taxable income from related foreign corporations.....	539,739	21,322	15,482	367,657	8,348	106,967	19,963	-
Net income.....	22,543,103	1,328,189	1,178,721	9,138,838	1,436,954	2,673,568	6,786,833	39,113
Income subject to tax.....	17,774,913	976,324	1,054,333	6,876,838	1,173,648	2,174,248	5,519,522	20,735
Income tax, total ¹	5,831,318	336,427	32					

RETURNS OF ACTIVE CORPORATIONS

Table 18--Total Receipts, Net Income, Statutory Special Deductions, Income Tax, Tax Credits, and Tax Payment Items, by Accounting Period Ended

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

Item	Total returns of active corporations		Accounting period ended ¹											
	Number of returns	Amount	1992						1993					
			July	August	September	October	November	December	January	February	March	April	May	June
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
Returns With and Without Net Income														
Number of returns.....	3,869,023	-	69,739	73,550	207,613	98,863	55,195	2,735,304	64,883	55,982	138,613	67,652	72,048	229,581
Total receipts.....	3,575,276	11,742,134,729	178,556,194	198,206,049	630,032,315	294,161,360	135,846,352	7,981,297,421	490,978,492	175,956,952	579,580,783	178,048,490	245,918,345	653,551,975
Net income (less deficit).....	3,722,060	401,997,022	8,693,994	7,677,053	19,066,380	13,094,615	9,461,048	281,138,533	16,909,540	6,307,887	11,908,663	5,277,925	6,079,019	16,382,365
Total income tax.....	817,077	131,284,690	1,668,179	1,678,776	4,943,390	2,147,839	2,012,196	98,437,430	5,030,115	1,345,773	4,007,421	1,448,885	2,054,901	6,511,787
Alternative minimum tax.....	28,002	4,856,262	47,217	42,375	248,710	77,239	19,337	3,910,590	66,590	29,330	170,648	-49,472	75,367	119,387
Returns With and Without Net Income, Other Than Forms 1120S, 1120-REIT, and 1120-RIC														
Number of returns.....	2,077,518	-	64,909	69,048	172,026	82,683	44,958	1,050,946	63,190	53,123	130,697	62,574	67,597	215,769
Total receipts.....	2,005,029	9,821,791,797	152,753,817	179,168,024	533,277,424	242,553,624	109,222,185	6,411,687,003	475,543,210	163,000,046	545,400,637	161,452,833	231,882,359	615,850,635
Net income (less deficit).....	2,032,921	291,868,888	3,483,455	3,004,194	9,026,321	4,757,884	4,352,282	225,591,189	13,265,282	3,269,129	5,336,438	2,952,582	4,684,008	12,164,126
Statutory special deductions, total.....	497,124	52,717,159	737,786	742,577	3,111,808	1,325,986	690,562	35,745,227	2,439,225	722,135	2,301,287	755,009	718,043	3,427,514
Net operating loss deduction.....	429,011	38,888,274	450,925	604,726	2,641,925	902,763	564,721	24,798,655	2,253,607	661,780	2,035,912	524,373	599,990	2,848,897
Total special deductions.....	78,486	13,828,885	286,861	137,851	469,883	423,223	125,841	10,946,572	185,617	60,355	265,376	230,636	118,052	578,617
Income subject to tax.....	801,547	377,722,786	4,999,341	5,063,668	14,514,180	6,290,323	6,015,680	280,202,434	14,771,898	4,075,916	11,917,324	4,330,642	6,044,577	19,496,801
Income tax, total.....	811,333	131,154,301	1,668,178	1,673,198	4,930,286	2,145,011	2,007,542	98,334,465	5,029,712	1,345,648	4,007,193	1,446,885	2,054,901	6,511,283
Regular tax.....	797,739	125,713,398	1,614,655	1,623,456	4,666,557	2,014,392	1,980,986	94,003,791	4,941,757	1,310,936	3,823,432	1,391,126	1,974,559	6,367,750
Personal holding company tax.....	3,243	20,494	*447	*595	*2,022	-	*2,283	6,939	7	*2,230	*73	*2,307	*165	3,427
Recapture of investment credit.....	659	23,496	19	*313	636	434	-	21,399	462	50	*25	6	(²)	*150
Environmental tax.....	13,172	496,610	4,990	5,385	16,945	5,948	3,993	392,062	20,925	3,760	11,855	3,908	6,957	19,882
Foreign tax credit.....	5,147	21,520,683	186,239	102,836	419,366	292,511	229,690	18,660,245	144,326	22,072	180,726	169,902	285,385	827,385
U.S. possessions tax credit.....	414	3,748,561	20,020	15,954	86,347	119,887	630,738	2,621,571	18,332	1,445	40,823	43,846	18,355	131,243
Orphan drug credit.....	13	17,826	-	3,751	-	-	-	12,571	-	-	174	245	-	1,085
Nonconventional source fuel credit.....	1,051	233,331	*63	39	*2,687	*770	*416	215,997	3,873	*142	*432	-	*5,755	*3,158
General business credit.....	37,746	1,918,094	29,251	26,097	99,668	38,416	28,086	1,236,520	110,311	19,588	126,703	20,634	37,448	145,370
Prior year minimum tax credit.....	13,487	2,313,811	12,325	18,327	34,919	17,066	13,887	1,925,653	36,007	22,147	43,636	34,471	58,365	97,007
Total income tax after credits.....	795,269	101,401,996	1,420,280	1,506,193	4,287,300	1,676,360	1,104,725	73,661,907	4,716,864	1,280,254	3,614,700	1,177,786	1,649,593	5,306,034
Returns With Net Income, Other Than Forms 1120S, 1120-REIT, and 1120-RIC														
Number of returns.....	1,117,309	-	35,495	35,665	96,506	47,604	23,578	547,270	30,188	29,477	77,467	33,692	41,369	118,998
Total receipts.....	1,117,309	7,424,068,752	116,680,882	128,866,805	396,160,054	181,864,732	83,235,150	4,837,014,478	397,237,921	134,524,193	373,475,793	113,806,385	183,080,445	478,121,914
Net income.....	1,117,309	426,078,044	5,731,679	5,791,235	17,591,596	7,571,185	6,700,373	311,850,247	17,189,821	4,788,115	14,186,358	5,076,092	6,754,294	22,847,050
Statutory special deductions, total.....	476,039	50,484,744	733,001	729,392	3,087,587	1,310,560	685,319	33,709,538	2,427,458	713,599	2,260,943	747,152	711,866	3,368,328
Net operating loss deduction.....	429,004	38,859,904	450,925	604,726	2,641,925	902,763	564,721	24,770,644	2,253,607	661,780	2,035,553	524,373	599,990	2,848,897
Total special deductions.....	57,401	11,624,840	282,076	124,666	445,662	407,798	120,598	8,938,894	173,850	51,819	225,390	222,780	111,876	519,431
Income subject to tax.....	801,488	376,706,893	4,999,341	5,063,668	14,514,180	6,289,927	6,015,680	279,187,604	14,771,898	4,075,916	11,916,658	4,330,642	6,044,577	19,496,801
Income tax, total.....	807,107	130,279,267	1,663,187	1,660,846	4,906,536	2,139,564	2,006,628	97,611,816	5,021,990	1,342,357	3,945,227	1,437,524	2,042,508	6,501,085
Regular tax.....	797,111	125,360,609	1,614,655	1,623,456	4,666,526	2,014,287	1,980,679	93,651,926	4,941,702	1,310,936	3,823,140	1,391,126	1,974,559	6,367,617
Personal holding company tax.....	3,179	20,343	*402	*595	*2,022	-	*2,283	6,839	(²)	*2,230	*73	*2,307	*165	3,427
Recapture of investment credit.....	639	23,040	19	*313	636	217	-	21,230	462	-	*6	6	(²)	*150
Environmental tax.....	12,929	492,298	4,979	5,328	16,823	5,934	3,993	388,487	20,884	3,757	11,458	3,891	6,899	19,883
Foreign tax credit.....	5,141	21,489,532	186,239	102,836	419,366	292,511	229,690	18,629,111	144,326	22,072	180,714	169,902	285,385	827,380
U.S. possessions tax credit.....	414	3,748,561	20,020	15,954	86,347	119,887	630,738	2,621,571	18,332	1,445	40,823	43,846	18,355	131,243
Orphan drug credit.....	13	17,826	-	3,751	-	-	-	12,571	-	-	174	245	-	1,085
Nonconventional source fuel credit.....	1,051	233,331	*63	39	*2,687	*770	*416	215,997	3,873	*142	*432	-	*5,755	*3,158
General business credit.....	37,729	1,900,428	29,251	26,097	99,668	38,377	28,086	1,218,905	110,300	19,588	126,703	20,634	37,448	145,370
Prior year minimum tax credit.....	13,466	2,177,873	12,325	18,327	34,919	17,066	13,887	1,789,716	36,007	22,147	43,636	34,471	58,365	97,007
Total income tax after credits.....	791,065	100,711,716	1,415,289	1,493,842	4,263,549	1,670,953	1,103,811	73,123,945	4,709,153	1,276,963	3,552,745	1,168,425	1,637,200	5,295,841
Overpayments less refund ²	478,902	94,440,528	1,149,262	1,346,800	3,710,560	1,522,353	985,217	69,663,319	3,673,398	1,134,372	3,503,998	1,111,159	1,580,914	5,059,178
Tax deposited with Form 7004.....	110,005	13,909,263	308,765	200,620	649,377	285,501	172,901	9,397,232	1,275,697	218,757	494,504	155,222	138,662	614,024
Credit from regulated investment companies.....	1,282	15,433	*54	*137	842	*751	*175	9,890	*424	*115	103	*26	*276	2,641
Credit for Federal tax on fuels.....	19,070	103,943	1,051	2,133	13,216	2,139	1,037	58,655	1,418	2,406	6,757	2,671	4,685	7,775
Penalty for underpayment of estimated tax.....	153,274	52,873	1,518	1,741	3,253	1,596	1,199	27,373	1,177	1,863	3,743	1,278	1,365	6,767
Tax due at time of filing.....	473,949	3,921,950	99,747	73,592	375,214	202,434	77,347	2,171,602	97,598	87,049	236,795	83,895	99,491	317,185
Overpayment of tax ³	330,734	11,975,934	140,187	128,409	504,172	340,529	132,034	8,467,173	338,859	164,370	692,303	183,840	185,284	698,794
Credit to 1993 estimated tax.....	284,758	9,488,939	106,983	99,084	399,207	187,649	94,104	6,917,605	240,627	133,030	498,640	153,405	154,618	503,988
Tax refunded.....	106,748	2,486,995	33,183	29,324	104,965	152,880	37,930	1,549,568	98,232	31,341	193,663	30,435	30,666	194,806

¹ Estimate should be used with caution because of the small number of sample returns on which it is based.

² Includes full and part-year returns.

³ Includes 1991 overpayments claimed as a credit, 1992 estimated tax payments, less any refund of estimated tax payments.

⁴ Less than \$500 per return.

NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS OF ACTIVE CORPORATIONS, CONSOLIDATED RETURNS

Table 19--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Selected Industrial Divisions

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

Item	All industrial divisions ¹	Selected industrial divisions									
		Agriculture, forestry, and fishing	Mining	Construction	Manufacturing	Transportation and public utilities	Wholesale and retail trade			Finance, insurance, and real estate	Services
							Total ²	Wholesale trade	Retail trade		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Number of returns, total.....	66,479	849	1,399	3,478	11,857	4,522	15,164	6,609	8,505	18,531	10,645
Total assets.....	15,137,294,008	14,466,322	190,456,485	80,882,781	3,710,449,295	1,528,911,484	1,016,582,508	476,269,459	539,193,779	8,176,578,711	418,877,449
Cash.....	541,404,108	492,320	5,402,729	5,426,858	71,651,098	19,912,427	32,491,700	13,458,538	18,841,927	385,288,671	20,733,317
Notes and accounts receivable.....	3,478,249,389	1,926,754	15,371,307	19,359,448	799,569,495	153,692,483	214,358,387	128,832,770	85,272,855	2,205,060,368	68,906,411
Less: Allowance for bad debts.....	105,453,112	29,368	189,841	325,718	19,409,904	4,582,647	8,690,195	2,725,868	3,957,241	69,497,060	4,727,933
Inventories.....	576,673,739	2,501,947	5,635,323	6,806,552	291,042,026	26,917,048	215,355,120	112,269,201	102,929,844	16,613,089	11,802,504
Investments in Government obligations.....	885,490,410	*53,157	585,502	1,084,060	29,723,700	5,603,178	38,979,237	34,629,756	2,349,481	808,872,903	2,588,673
Tax-exempt securities.....	316,466,572	80,249	159,015	897,507	16,278,663	1,554,772	19,340,357	680,727	18,659,630	276,348,246	1,807,784
Other current assets.....	1,022,421,909	889,310	6,999,215	6,741,233	180,450,301	55,479,353	65,032,599	41,099,484	23,850,639	678,599,117	28,246,018
Loans to stockholders.....	38,041,825	110,957	513,312	1,336,963	17,141,123	1,834,625	5,785,843	1,325,301	4,458,659	8,556,324	2,762,878
Mortgage and real estate loans.....	1,240,519,951	45,730	55,134	5,691,282	29,115,651	2,440,539	12,678,978	1,658,471	11,022,505	1,185,078,967	5,413,673
Other investments.....	3,437,925,446	2,180,570	78,145,352	16,486,046	960,363,481	237,360,323	140,067,102	51,588,774	88,401,513	1,900,137,031	105,185,542
Depreciable assets.....	3,692,759,850	8,395,883	91,824,711	24,122,838	1,563,895,338	1,322,666,721	293,981,272	98,610,666	195,050,758	220,875,762	166,920,789
Less: Accumulated depreciation.....	1,583,990,869	4,293,417	42,851,428	13,059,872	783,968,220	475,411,870	117,660,014	42,356,512	75,180,196	80,861,031	65,869,623
Depletable assets.....	119,320,735	281,661	33,000,277	377,101	71,259,507	11,132,469	1,927,493	1,342,467	571,943	1,242,662	99,587
Less: Accumulated depletion.....	55,886,547	*61,475	15,141,052	128,683	34,784,976	4,605,519	792,285	595,919	192,161	335,588	36,968
Land.....	120,367,567	1,287,431	2,974,434	1,994,898	40,747,730	11,325,996	26,126,071	6,031,738	20,049,243	25,497,199	10,400,259
Intangible assets (amortizable).....	471,300,516	193,610	6,842,530	979,567	269,977,588	70,552,103	43,059,973	20,959,877	22,096,103	39,921,551	39,973,646
Less: Accumulated amortization.....	100,789,343	45,649	2,730,126	215,351	81,381,766	9,674,050	7,811,133	3,492,877	4,315,700	9,038,461	8,892,799
Other assets.....	1,042,471,862	476,654	6,060,091	3,308,054	268,778,462	102,713,532	42,352,065	12,956,866	29,283,978	584,218,962	34,563,920
Total liabilities.....	15,137,294,008	14,466,322	190,456,485	80,882,781	3,710,449,295	1,528,911,484	1,016,582,508	476,269,459	539,193,779	8,176,578,711	418,877,449
Accounts payable.....	1,195,274,146	1,378,127	10,305,468	13,699,891	392,626,804	89,343,298	142,025,207	68,042,848	73,862,372	511,452,630	34,437,006
Mortgages, notes, and bonds payable in less than one year.....	1,132,064,532	1,664,634	9,814,592	7,490,438	329,462,041	83,026,049	182,229,711	133,810,569	48,272,057	491,710,416	26,666,560
Other current liabilities.....	4,704,831,994	1,115,027	9,159,749	10,531,734	322,683,838	123,131,840	147,418,042	69,575,775	77,738,531	4,035,044,300	55,735,582
Loans from stockholders.....	140,266,713	268,152	1,859,121	1,217,605	64,698,862	3,297,649	10,376,590	5,199,222	5,161,943	50,719,028	7,808,201
Mortgages, notes, and bonds payable in one year or more.....	2,126,639,579	3,008,482	44,700,814	16,323,512	806,829,261	458,575,256	201,411,183	77,163,858	123,808,347	484,690,003	111,035,281
Other liabilities.....	2,628,877,582	1,218,597	20,647,922	7,157,004	559,975,245	252,622,066	96,002,639	23,591,776	72,378,251	1,649,294,313	41,955,944
Capital stock.....	511,804,016	761,435	7,681,925	2,904,611	149,013,206	165,445,069	48,560,536	28,781,143	19,767,760	113,922,852	23,511,021
Paid-in or capital surplus.....	1,714,793,714	2,479,087	98,650,534	12,259,696	685,031,209	240,836,704	112,705,813	39,837,440	72,678,948	448,454,883	114,374,764
Retained earnings, appropriated.....	54,019,950	*2,686	*101,854	110,212	6,036,901	2,921,984	791,819	175,208	616,611	43,830,350	224,144
Retained earnings, unappropriated.....	1,099,550,764	2,931,169	-8,436,328	10,259,332	503,874,597	127,649,289	86,576,860	34,937,664	51,542,592	366,341,489	10,378,595
Less: Cost of treasury stock.....	170,828,982	361,073	4,029,165	1,071,256	109,782,671	17,937,721	11,515,892	4,848,044	6,633,634	18,881,552	7,249,649
Total receipts.....	7,464,924,422	18,660,630	87,588,318	110,057,827	3,014,576,268	816,966,123	1,596,540,741	742,216,731	851,601,953	1,469,740,655	350,692,238
Business receipts.....	6,400,275,803	17,698,675	79,081,621	104,123,787	2,779,976,642	766,152,601	1,534,007,479	716,374,203	814,958,379	802,921,805	316,235,955
Interest.....	619,438,563	162,182	2,509,184	1,830,212	71,963,813	15,823,209	24,240,875	11,393,415	12,820,839	495,743,826	7,163,479
Interest on Government obligations:											
State and local.....	18,356,972	6,934	15,641	55,949	1,480,357	239,309	1,459,181	85,913	1,373,251	14,669,980	429,620
Rents.....	86,195,622	82,155	336,386	545,202	34,538,991	9,648,720	7,429,106	3,593,339	3,832,759	27,757,912	5,658,682
Royalties.....	40,174,480	74,064	355,390	46,865	32,235,161	698,556	2,598,607	601,826	1,996,585	512,351	3,653,486
Net short-term capital gain reduced by net long-term capital loss.....	6,752,133	1,917	44,343	35,836	762,376	227,892	226,140	122,215	103,925	5,318,247	135,382
Net long-term capital gain reduced by net short-term capital loss.....	38,333,372	148,780	963,574	382,472	10,466,457	2,839,022	2,734,106	477,057	2,256,617	19,197,206	1,590,845
Net gain, noncapital assets.....	24,238,208	42,996	574,112	232,236	8,246,138	3,247,800	2,121,462	1,209,765	908,921	7,854,245	1,919,198
Dividends received from domestic corporations.....	11,041,835	11,560	181,030	60,387	3,347,976	1,363,845	520,890	205,330	314,905	5,333,127	223,014
Dividends received from foreign corporations.....	28,320,384	58,449	223,941	133,855	23,703,906	483,835	1,524,098	1,243,114	280,984	1,392,933	799,367
Other receipts.....	191,797,049	372,917	3,303,096	2,611,026	47,856,451	16,241,334	19,678,795	6,910,554	12,754,787	89,039,022	12,683,209

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

RETURNS OF ACTIVE CORPORATIONS, CONSOLIDATED RETURNS

Table 19—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Selected Industrial Divisions—Continued

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

Item	All industrial divisions ¹	Selected industrial divisions									
		Agriculture, forestry, and fishing	Mining	Construction	Manufacturing	Transportation and public utilities	Wholesale and retail trade			Finance, insurance, and real estate	Services
							Total ²	Wholesale trade	Retail trade		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Total deductions	7,214,678,242	18,248,115	85,732,577	109,368,493	2,917,393,275	777,464,498	1,574,797,593	735,857,867	836,239,794	1,388,971,426	342,599,238
Cost of sales and operations.....	4,155,200,947	13,039,431	55,451,812	84,882,858	1,899,068,926	302,121,078	1,169,625,126	611,384,884	556,095,891	504,413,723	126,602,490
Compensation of officers.....	56,010,155	208,012	645,631	1,349,507	15,243,660	3,381,498	6,915,041	3,519,465	3,348,781	22,532,159	5,732,749
Repairs.....	69,021,557	145,493	801,213	356,437	27,313,251	27,599,267	5,956,545	1,584,477	4,366,859	4,132,362	2,916,688
Bad debts.....	72,633,521	80,357	222,611	322,160	9,867,130	6,641,666	6,192,201	1,715,810	4,474,162	44,858,418	4,438,465
Rent paid on business property.....	113,551,487	141,943	820,903	1,069,698	30,260,088	23,680,640	28,437,765	4,735,105	23,677,913	18,208,068	10,930,967
Taxes paid.....	180,071,719	312,376	2,188,121	1,587,013	76,930,287	38,357,285	23,339,196	7,184,701	16,141,156	26,457,015	10,899,326
Interest paid.....	474,971,775	429,099	4,546,068	2,321,617	118,587,819	51,356,142	35,619,219	14,376,380	21,203,550	247,358,869	14,746,686
Contributions or gifts.....	4,743,054	12,321	45,921	42,159	2,374,110	560,428	533,444	189,059	343,017	962,740	211,930
Amortization.....	29,466,648	48,348	503,249	127,237	11,278,983	5,225,736	3,948,802	2,300,331	1,645,001	4,780,294	3,553,999
Depreciation.....	269,109,078	545,986	4,609,115	1,735,691	110,165,181	77,393,841	27,784,015	12,314,220	15,427,363	27,540,258	19,326,254
Depletion.....	8,042,734	96,821	2,457,532	28,953	4,250,484	975,913	103,203	96,634	6,569	117,916	11,912
Advertising.....	96,502,674	155,833	81,759	289,867	55,806,659	5,528,144	22,086,846	6,864,423	15,203,803	7,473,296	5,080,397
Pension, profit-sharing, stock bonus, and annuity plans.....	42,324,651	55,700	386,133	462,100	23,146,151	6,749,178	3,694,312	1,385,787	2,287,725	5,772,403	2,058,674
Employee benefit programs.....	108,109,081	213,163	1,080,947	970,588	53,290,460	19,384,207	12,906,797	3,907,449	8,976,557	13,517,442	6,762,970
Net loss, noncapital assets.....	13,789,816	55,452	373,981	190,302	2,650,584	2,792,358	1,386,613	288,401	1,097,943	5,632,249	707,393
Other deductions.....	1,521,129,145	2,707,781	11,717,580	13,652,307	477,159,501	205,737,116	226,268,469	64,030,742	161,945,504	455,214,215	128,618,338
Total receipts less total deductions	250,246,180	412,515	1,855,741	689,334	87,182,993	39,501,625	21,743,148	6,358,864	15,362,158	80,769,228	8,092,999
Constructive taxable income from related foreign corporations.....	27,797,223	*90,855	208,849	143,524	18,785,952	895,403	2,347,701	2,120,876	226,825	4,704,856	620,082
Net income (less deficit).....	259,686,431	496,436	2,048,949	776,908	114,488,588	40,157,719	22,631,668	8,393,827	14,215,733	70,804,104	8,283,461
Income subject to tax.....	309,925,321	737,305	3,546,515	1,795,735	130,366,307	47,507,098	31,568,618	12,055,407	19,451,679	81,596,568	12,805,081
Income tax, total.....	110,078,018	258,320	1,410,096	649,425	46,208,000	17,126,751	11,145,493	4,341,576	6,783,270	28,780,245	4,519,608
Regular tax.....	105,300,719	249,236	1,206,588	602,887	44,357,938	16,118,369	10,724,109	4,093,596	6,609,944	27,698,123	4,342,463
Personal holding company tax.....	6,755	-	*542	*20	*1	-	(³)	(³)	-	4,160	*2,031
Recapture of investment credit.....	22,632	-	6	*218	3,901	16,142	637	171	465	1,616	112
Alternative minimum tax.....	4,305,037	8,194	197,152	38,779	1,633,072	922,511	378,541	233,607	144,934	969,430	157,283
Environmental tax.....	464,822	891	6,632	2,208	193,301	86,579	44,424	15,627	28,719	113,043	17,745
Foreign tax credit.....	21,218,864	*42,768	533,516	86,636	15,288,137	471,646	1,218,209	928,691	289,455	3,042,199	535,754
U.S. possessions tax credit.....	153,374	-	-	-	144,661	-	150	-	150	7,191	1,371
Orphan drug credit.....	17,826	-	-	-	17,826	-	-	-	-	-	-
Nonconventional source fuel credit.....	227,800	39	18,378	*397	133,110	58,112	1,031	*976	*55	16,579	153
General business credit.....	1,663,661	3,035	16,624	14,563	853,178	336,195	201,962	29,145	172,734	163,741	74,362
Prior year minimum tax credit.....	2,081,393	3,988	32,734	15,598	399,823	352,802	133,943	39,165	94,778	1,056,055	86,450
Total income tax after credits	84,715,100	208,490	808,843	532,231	29,371,265	15,907,996	9,590,198	3,343,600	6,226,098	24,474,480	3,821,517

¹ Estimate should be used with caution because of the small number of sample returns on which it is based.

² Includes "Nature of business not allocable" which is not shown separately.

³ Includes "Wholesale and retail trade not allocable" which is not shown separately.

⁴ Less than \$500 per return.

NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS OF ACTIVE CORPORATIONS

Table 20 - Tax Items: Number of Returns by Selected Types of Tax, Dividend Items, Net Income or Deficit, Statutory Special Deductions, Income Subject to Tax, Income Tax, Credits, and Payments, by Selected Industrial Divisions

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

Item	Selected industrial divisions										
	All industrial divisions ¹	Agriculture, forestry, and fishing	Mining	Construction	Manufacturing	Transportation and public utilities	Wholesale and retail trade			Finance, insurance, and real estate	Services
							Total ²	Wholesale trade	Retail trade		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Number of returns with income tax											
Number of returns with--											
Income tax, total.....	817,077	34,379	6,659	84,625	75,933	40,809	237,453	91,245	145,767	150,664	183,988
Regular tax.....	801,809	34,138	6,214	83,440	73,215	39,771	234,513	90,182	143,890	146,548	181,411
Recapture of investment credit.....	663	-	*5	20	126	66	16	*9	7	52	*377
Alternative minimum tax.....	28,002	850	1,038	2,838	6,439	3,012	4,297	1,990	2,307	5,122	4,398
Environmental tax.....	13,172	99	289	251	3,749	811	1,957	1,189	766	4,887	1,130
Total income tax after--											
Foreign tax, U.S. possessions tax, orphan drug, nonconventional source fuel, general business, and prior year minimum tax credits.....	801,012	33,307	6,445	82,283	73,093	38,756	234,481	90,782	143,259	149,584	180,498
Returns with and without net income											
Number of returns.....											
Dividends received from domestic corporations, total.....	3,869,023	137,833	36,860	407,881	300,071	178,284	1,052,713	328,771	720,187	635,268	1,100,449
Less-than-20%-owned subject to 70% deduction.....	13,109,858	84,135	211,387	112,049	3,731,074	1,397,510	653,644	295,463	356,986	6,607,821	310,882
20%-or-more-owned subject to 80% deduction.....	8,166,215	71,095	70,344	82,191	1,266,418	464,608	380,579	177,034	202,349	5,634,120	195,504
Debt-financed stock of domestic corporations.....	3,696,204	8,128	129,177	28,845	1,794,862	908,363	230,443	80,749	149,693	514,604	81,784
Certain preferred stock of less-than-20%-owned public utilities subject to 41.176% deduction.....	83,167	1,886	170	19	11,393	*2,715	*19,873	*19,815	*57	47,037	75
Certain preferred stock of 20%-or-more-owned public utilities subject to 47.059% deduction.....	16,499	-	*351	*389	*267	*848	*237	*64	*173	14,083	*323
Intragroup dividends qualifying for 100% deduction.....	691,098	*2,600	*11,223	-	284,801	*15,969	*9,994	*8,047	*3,947	365,037	*1,474
Amount received from IC-DISC or former DISC.....	421,384	*427	85	*605	364,885	4,003	12,479	11,725	*754	8,408	30,482
Amount received by a small business investment company qualifying for 100% deduction.....	34,762	-	-	-	8,449	1,005	*39	*27	12	24,400	*1,230
Dividends received from foreign corporations, total.....	28,883,052	59,577	228,044	134,881	23,997,713	484,933	1,587,332	1,298,372	288,960	1,577,874	812,697
Less-than-20%-owned subject to 70% deduction.....	14,277	*86	50	*903	1,951	1,506	2,039	1,998	*41	6,830	*912
20%-or-more-owned subject to 80% deduction.....	12,628	-	(³)	-	6,697	1,652	*2,274	*416	1,858	*2,000	6
Intragroup dividends qualifying for 100% deduction.....	312,880	*1,397	27	1,560	158,132	16,222	69,729	68,642	*1,087	57,882	7,830
Other foreign dividends.....	23,487,145	*31,236	198,053	120,333	19,175,163	435,823	1,433,813	1,149,487	284,327	1,451,270	641,454
Certain FSC dividends qualifying for 100% deduction.....	5,056,122	26,857	29,914	*12,086	4,655,771	29,731	79,477	77,829	*1,647	59,891	162,395
Constructive taxable income from related foreign corporations, total.....	28,104,602	*90,860	208,858	143,793	18,899,805	896,096	2,362,587	2,135,330	227,256	4,869,182	633,421
Includable income of controlled foreign corporations.....	14,640,302	*58,827	92,998	85,214	8,625,260	555,263	1,358,218	1,251,121	107,098	3,585,682	280,859
Foreign dividend income resulting from foreign taxes deemed paid.....	13,464,301	*34,033	115,860	58,579	10,274,545	340,833	1,004,369	884,210	120,159	1,283,520	352,582
Net income (less deficit).....	401,997,022	1,607,297	2,706,769	5,505,062	143,627,403	41,789,809	41,343,782	18,785,243	22,514,694	146,978,975	18,525,343
Statutory special deductions, total.....	117,627,408	807,050	1,355,599	1,482,389	15,316,560	4,787,354	6,618,821	2,465,185	4,139,308	82,320,181	4,940,269
Net operating loss deduction.....	38,894,962	720,394	1,162,981	1,367,555	7,914,397	3,627,004	6,029,842	2,130,270	3,888,081	13,487,384	4,567,030
Dividends received deduction.....	13,448,638	86,656	192,618	94,834	7,399,659	1,114,602	586,266	334,915	250,514	3,600,255	372,939
Deduction for dividends paid on certain public utility stock.....	49,908	-	-	-	2,503	44,635	*2,713	-	*2,713	-	*56
Deduction for dividends paid (Forms 1120-RIC and 1120-REIT).....	64,903,561	-	-	-	-	-	-	-	-	64,903,561	-
Section 857(b)(2)(E) deduction (Form 1120-REIT).....	-	-	-	-	-	-	-	-	-	-	-
Income subject to tax.....	377,899,601	2,012,510	4,268,855	5,268,233	151,716,109	50,135,337	44,854,072	18,906,326	25,856,606	101,570,714	18,051,952
Income tax, total.....	131,284,690	563,325	1,657,953	1,550,717	53,369,555	17,942,081	14,844,365	6,329,988	8,485,648	35,433,128	5,920,338
Regular tax.....	125,770,915	541,516	1,428,389	1,458,612	51,315,542	16,884,562	14,357,322	6,042,671	8,286,000	34,091,152	5,690,665
Personal holding company tax.....	20,494	69	*542	*76	*231	*44	(³)	(³)	16,296	1,296	*3,235
Recapture of investment credit.....	25,103	-	*6	326	4,164	16,274	2,327	*1,862	465	1,861	*146
Alternative minimum tax.....	4,856,262	19,344	222,172	79,843	1,822,247	970,451	428,635	261,189	167,446	1,107,216	206,278
Environmental tax.....	496,610	1,015	7,355	2,333	199,706	87,673	48,072	17,367	30,628	131,745	18,710
Branch tax (Form 1120F).....	78,982	*45	*72	*22	-	-	2,233	2,231	*2	75,498	*1,093
Tax on net income from foreclosure property (Form 1120-REIT).....	-	-	-	-	-	-	-	-	-	-	-
Section 857(b)(5) tax (Form 1120-REIT).....	-	-	-	-	-	-	-	-	-	-	-
Tax on net income from prohibited transaction (Form 1120-REIT).....	(³)	-	-	-	-	-	-	-	-	(³)	-
Capital gains tax (Form 1120-RIC).....	40,799	-	-	-	-	-	-	-	-	40,799	-
Excess net passive income tax (Form 1120S).....	6,754	*38	-	-	*558	*1,190	*2,091	*1,095	*995	*2,878	(³)

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

RETURNS OF ACTIVE CORPORATIONS

Table 20 - Tax Items: Number of Returns by Selected Types of Tax, Dividend Items, Net Income or Deficit, Statutory Special Deductions, Income Subject to Tax, Income Tax, Credits, and Payments, by Selected Industrial Divisions--Continued

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

Item	All industrial divisions ¹	Selected industrial divisions									
		Agriculture, forestry, and fishing	Mining	Construction	Manufacturing	Transportation and public utilities	Wholesale and retail trade			Finance, insurance, and real estate	Services
							Total ²	Wholesale trade	Retail trade		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Returns with and without net income											
Foreign tax credit.....	21,520,683	42,801	599,700	88,527	15,358,288	478,522	1,242,782	950,735	291,984	3,155,108	554,954
U. S. possessions tax credit.....	3,748,561	3,944	-	2,596	3,619,287	58,729	29,971	4,940	25,031	22,486	11,230
Orphan drug credit.....	17,826	-	-	-	17,826	-	-	-	-	-	-
Nonconventional source fuel credit.....	233,331	39	20,042	*397	134,312	58,112	1,489	1,433	*56	18,700	*240
General business credit.....	1,918,100	13,243	21,221	27,299	943,443	352,638	248,272	48,040	200,142	204,908	107,075
Prior year minimum tax credit.....	2,313,811	6,352	47,459	55,350	444,728	366,483	164,532	53,452	110,552	1,129,382	99,545
Total income tax after--											
Foreign tax, U.S. possessions tax, orphan drug, nonconventional source fuel, general business, and prior year minimum tax credits.	101,532,379	496,946	969,531	1,376,546	32,851,672	16,627,618	13,157,318	5,271,388	7,857,883	30,902,544	5,147,294
Overpayments less refunds.....	96,624,051	455,371	930,734	1,264,530	31,577,868	16,338,754	11,543,788	5,017,530	6,494,695	29,655,041	4,857,168
Tax deposited with Form 7004.....	14,103,266	58,230	189,267	244,501	5,030,558	1,543,180	2,531,075	707,322	1,821,457	3,682,254	844,063
Credit from regulated investment companies.....	26,609	467	*75	702	3,578	10,364	1,103	217	886	8,772	1,548
Credit for Federal tax on fuels.....	172,857	17,526	4,925	25,519	42,737	47,813	17,253	9,882	7,371	1,748	15,335
Tax from Section II (Form 1120F).....	811,981	*313	1,893	*15	*1,949	*2,258	19,783	19,774	*7	781,002	4,654
US tax paid or withheld at source on effectively connected income (Form 1120F).....	52,333	*1,029	*86	(³)	*1,055	*1,689	*3,256	*3,236	*20	40,315	4,268
Tax due at time of filing.....	3,972,076	93,125	34,525	276,211	720,764	266,068	785,083	436,846	347,953	1,421,250	373,106
Overpayment of tax.....	13,726,342	130,667	202,014	433,548	4,533,887	1,581,553	1,732,294	906,709	819,496	4,156,547	955,234
Credit to 1993 estimated tax.....	10,407,650	66,036	136,442	240,722	3,448,001	1,383,628	1,226,864	638,793	584,042	3,204,532	701,348
Tax refund.....	3,318,692	64,631	65,571	192,826	1,085,885	197,924	505,430	287,916	235,454	952,015	253,885

¹ Estimate should be used with caution because of the small number of sample returns on which it is based.

² Includes "Nature of business not allocable" which is not shown separately.

³ Includes "Wholesale and retail trade not allocable" which is not shown separately.

⁴ Less than \$500 per return.

NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS OF ACTIVE CORPORATIONS, OTHER THAN FORMS 1120S, 1120-REIT, AND 1120-RIC

Table 21—Number of Returns, Selected Income, Tax, Credits, and General Business Credit Items, by Selected Industrial Divisions

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

Item	All industrial divisions ¹	Selected industrial divisions									
		Agriculture, forestry, and fishing	Mining	Construction	Manufacturing	Transportation and public utilities	Wholesale and retail trade			Finance, insurance, and real estate	Services
							Total ²	Wholesale trade	Retail trade		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Number of returns.....	2,077,518	72,778	21,097	229,120	182,259	103,397	585,479	205,359	377,671	355,719	513,378
Net income.....	426,078,044	2,794,110	5,515,686	6,703,131	165,665,614	54,830,184	50,965,741	21,307,718	29,552,761	116,655,771	22,907,420
Income subject to tax.....	377,722,786	2,002,396	4,260,113	5,259,622	151,674,465	50,120,041	44,816,637	18,892,333	25,833,163	101,553,096	18,014,597
Income tax before credits:											
Total.....	131,154,301	560,625	1,655,055	1,546,865	53,345,704	17,936,857	14,815,547	6,314,449	8,472,369	35,382,735	5,907,685
Regular tax.....	125,713,398	539,433	1,425,685	1,455,691	51,301,644	16,880,528	14,344,453	6,037,773	8,278,029	34,084,780	5,678,028
Credits:											
Foreign tax credit.....	21,520,683	42,801	599,700	88,527	15,358,288	478,522	1,242,782	950,735	291,984	3,155,108	554,954
U.S. possessions tax credit.....	3,748,561	3,944	-	2,596	3,619,287	58,729	29,971	4,940	25,031	22,486	11,230
Orphan drug credit.....	17,826	-	-	-	17,826	-	-	-	-	-	-
Nonconventional source fuel credit.....	233,331	39	20,042	*397	134,312	58,112	1,489	1,433	*56	18,700	*240
General business credit.....	1,918,094	13,243	21,221	27,299	943,443	352,638	248,272	48,040	200,142	204,902	107,075
Prior year minimum tax credit.....	2,313,811	6,352	47,459	55,350	444,728	366,463	164,532	53,452	110,552	1,129,382	99,545
General business credit items:											
Tentative general business credit.....	15,966,303	153,531	732,691	219,890	6,591,752	4,111,011	1,202,252	458,849	740,586	1,343,591	1,611,341
Current year regular investment credit.....	103,340	135	3,767	*1,066	33,417	21,043	7,918	1,550	6,368	32,948	3,046
Total allowable research credit.....	1,515,413	4,240	3,530	2,343	1,157,713	98,348	33,246	25,205	7,957	17,817	198,176
Total jobs credit for current year.....	329,054	3,371	*22	2,221	75,680	11,450	192,390	4,447	187,943	9,002	34,917
Current year alcohol fuel credit.....	40,196	*154	-	-	37,763	-	*1,042	-	*1,042	1,237	-
Current year low-income housing credit.....	234,138	*644	*312	4,767	51,288	46,249	14,999	5,053	9,946	113,774	2,103
Current year enhanced oil recovery credit.....	85,065	-	*2,304	-	80,606	1,654	-	-	-	501	-
Current year disabled access credit.....	2,763	-	-	-	6	-	*831	*384	*447	239	1,687
Passive activity credits.....	4,605	-	*39	41	264	-	*2,099	*1,799	*300	*1,856	*306
Passive activity credits allowed in 1992.....	12,972	*675	-	181	*1,516	-	*7,814	*1,816	*5,997	2,787	-
Carryforward of general business credit from prior years.....	13,488,261	144,311	722,779	204,506	5,089,248	3,866,179	924,017	417,718	503,566	1,166,191	1,370,786
Income tax after credits.....	101,401,996	494,246	966,632	1,372,695	32,827,821	16,622,394	13,128,500	5,255,849	7,844,604	30,852,158	5,134,640

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

¹ Includes "Nature of business not allocable" which is not shown separately.

² Includes "Wholesale and retail trade not allocable" which is not shown separately.

NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

RETURNS OF ACTIVE CORPORATIONS, OTHER THAN FORMS 1120S, 1120-REIT AND 1120-RIC

Table 22 -- Number of Returns and Selected Tax Items, by Size of Total Income Tax After Credits

(All figures are estimates based on samples--money amounts are in thousands of dollars and size of total income tax after credits are in whole dollars)

Size of total income tax after credits	Number of returns of active corporations, other than Forms 1120S, 1120-REIT, and 1120-RIC	Income subject to tax	Income tax before credits		Foreign tax credit	U.S. possessions credit	Orphan drug credit	Nonconventional source fuel credit	General business credit	Prior year minimum tax credit	Income tax after credits
			Total ¹	Regular tax ²							
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Total.....	2,077,518	377,722,786	131,154,301	125,713,398	21,520,683	3,748,561	17,826	233,331	1,918,094	2,313,811	101,401,996
Returns with net income.....	1,117,309	376,706,893	130,279,267	125,360,609	21,489,532	3,748,561	17,826	233,331	1,900,428	2,177,873	100,711,716
Returns without net income.....	960,208	* 1,015,892	875,034	352,789	31,150	-	-	-	17,666	*135,938	690,280
Returns with total income tax before credits.....	811,333	377,381,361	131,154,301	125,680,321	21,520,683	3,748,561	17,826	233,331	1,918,094	2,313,811	101,401,996
Returns with total income tax after credits.....	795,269	371,870,941	129,330,043	123,851,227	21,518,754	1,960,985	17,826	233,244	1,892,984	2,304,254	101,401,996
\$1 under \$6,000.....	581,418	6,090,704	982,081	963,899	2,076	55,025	-	*211	24,641	8,241	891,888
\$6,000 under \$10,000.....	67,583	3,284,520	552,554	533,666	2,769	32,119	-	*675	5,893	3,393	507,705
\$10,000 under \$15,000.....	31,941	2,764,562	639,374	618,682	1,430	234,112	-	*45	7,337	3,882	392,568
\$15,000 under \$20,000.....	16,565	1,377,473	313,355	294,761	1,426	14,841	-	-	4,425	4,799	287,864
\$20,000 under \$25,000.....	12,898	1,235,438	306,018	285,266	*1,097	4,100	-	*7	6,383	5,871	288,561
\$25,000 under \$50,000.....	27,347	3,738,657	1,111,255	1,033,031	12,266	107,304	-	*718	17,177	12,577	961,212
\$50,000 under \$75,000.....	11,776	2,442,517	828,865	765,586	25,905	48,123	-	1	16,308	12,683	725,846
\$75,000 under \$100,000.....	7,160	1,887,231	678,072	619,831	15,522	9,886	-	-	15,312	14,435	622,917
\$100,000 under \$250,000.....	18,472	8,980,836	3,231,468	3,049,920	71,320	121,382	-	451	53,466	65,782	2,919,066
\$250,000 under \$500,000.....	8,069	9,402,595	3,356,381	3,197,314	140,609	264,869	-	1,168	47,796	52,816	2,849,123
\$500,000 under \$1,000,000.....	4,865	11,722,036	4,196,904	3,984,852	156,227	514,504	-	3,085	71,624	59,969	3,391,495
\$1,000,000 under \$10,000,000.....	5,907	57,260,962	20,738,746	19,471,269	2,772,593	388,483	2,552	24,332	341,564	436,952	16,772,270
\$10,000,000 under \$50,000,000.....	925	68,703,396	24,966,177	23,396,108	4,562,712	26,091	3,037	49,644	377,276	361,847	19,585,571
\$50,000,000 under \$100,000,000.....	178	50,988,627	18,060,306	17,336,972	4,668,503	140,148	6,450	81,336	206,248	485,585	12,472,036
\$100,000,000 or more.....	163	141,991,385	49,368,487	48,300,070	9,084,301	-	5,787	71,571	697,533	775,421	38,733,874

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

¹ Income tax before credits includes adjustments to income tax and adjustments to total tax.

² Regular tax includes adjustments to income tax which tax credits could be used against.

³ Amount was reported by life insurance companies and banks with life insurance departments taxable under special provision of the Internal Revenue Code.

NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

RETURNS OF ACTIVE CORPORATIONS

Table 23--Alternative Minimum Tax: Number of Returns, Adjustments, Tax Preference, and Related Items, by Selected Industrial Divisions

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

Item	All industrial divisions ¹	Selected industrial divisions									
		Agriculture, forestry, and fishing	Mining	Construction	Manufacturing	Transportation and public utilities	Wholesale and retail trade			Finance, insurance, and real estate	Services
							Total ²	Wholesale trade	Retail trade		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Returns of active corporations:											
Number of returns.....	3,869,023	137,833	36,660	407,881	300,071	178,284	1,052,713	328,771	720,187	635,268	1,100,449
Returns with alternative minimum tax items:											
Number of returns.....	28,002	850	1,038	2,838	6,439	3,012	4,297	1,990	2,307	5,122	4,398
Total assets.....	4,624,065,454	5,660,007	71,707,072	30,466,024	1,589,736,907	594,297,322	172,159,807	100,336,324	71,823,483	2,020,474,484	139,506,738
Business receipts.....	1,998,508,997	7,422,088	47,916,305	34,374,461	960,007,518	278,990,643	355,477,812	196,828,026	158,649,845	223,581,616	90,708,893
Bad debts.....	19,768,069	27,858	83,056	63,488	3,630,579	3,680,961	788,437	398,160	390,278	10,447,344	1,046,345
Depreciation.....	105,975,268	231,720	2,181,624	987,732	48,479,769	28,677,395	9,422,994	6,659,437	2,763,557	7,047,131	8,938,942
Amortization.....	8,611,494	15,755	271,274	30,531	3,587,479	2,071,990	495,093	199,442	295,651	1,040,255	1,099,116
Depletion.....	4,687,437	*1,527	1,618,811	14,014	2,445,282	520,749	18,334	15,049	*3,285	60,355	8,365
Net income.....	77,700,971	310,434	2,622,399	619,945	36,959,621	11,606,431	4,425,560	1,673,843	2,751,718	17,650,377	3,501,711
Regular tax.....	17,055,804	18,742	585,931	77,549	10,249,935	2,696,756	346,399	217,553	128,846	2,730,951	349,542
Recapture of investment credit.....	8,358	-	1	*13	712	6,184	*908	*445	463	540	-
Alternative minimum tax.....	4,856,262	19,344	222,172	79,843	1,822,247	970,451	428,635	261,189	167,446	1,107,216	206,278
Income tax after credits ³	12,497,303	34,327	440,605	122,487	4,758,074	3,304,849	715,968	433,404	282,564	2,770,181	350,737
Alternative minimum tax items:											
Adjustment items:											
Depreciation of property placed in service after 1986.....	22,842,876	57,764	450,755	164,989	12,354,030	5,457,952	2,019,834	1,379,464	640,370	1,173,851	1,161,661
Amortization of certified pollution control facilities after 1986.....	20,674	-	-19	-	875	19,715	50	50	-	-	*53
Amortization of mining exploration and development costs paid or incurred after 1986.....	107,996	-	52,331	*2,580	34,750	16,230	2,091	2,091	-	14	-
Circulation expenses.....	*245	-	-	-28	*34	*146	*3	-	*3	(⁴)	-33
Basis adjustment.....	-3,368,478	-4,644	-61,509	-14,624	-1,528,626	-676,697	-370,539	-209,281	-161,258	-204,076	-507,746
Long-term contracts entered into after 2/28/86.....	94,995	-	(⁴)	234,343	-146,055	*5,703	*188	*188	-	*5,354	*6,867
Installment sales of certain property.....	-14,204	-	-26	*371	-15,783	-	*2,036	*1,404	631	-1,055	253
Merchant marine capital construction funds.....	31,345	1,055	-	-	18,576	36,029	-	-	-	-	-24,314
Section 833(b) deduction.....	1,477,666	-	-	-	-	-	-	-	-	1,477,666	-
Tax shelter farm activity loss.....	-	-	-	-	-	-	-	-	-	-	-
Passive activity loss.....	34,364	*123	*1,844	*1,363	3,166	*199	-465	*1,095	*631	3,256	25,521
Certain loss limitations.....	31,794	-	769	-	-5,149	35,885	*172	-	*172	116	-
Other adjustments.....	-724,610	*313	-5,275	*2,164	-625,779	12,593	-58,096	-48,989	-9,107	-40,608	-4,969
Total adjustments.....	20,564,811	53,739	442,172	386,830	10,119,929	4,895,660	1,592,190	1,120,755	471,436	2,414,975	657,293
Tax preference items:											
Depletion.....	1,620,348	*303	869,422	10,899	540,363	183,099	7,502	*4,929	*2,572	6,343	*2,416
Tax exempt interest from private activity bonds issued after 8/7/86.....	127,819	-	*455	*493	42,674	5,525	*8,108	*1,031	*7,078	69,879	*685
Appreciated property charitable deduction.....	81,704	40	*506	*285	54,523	12,725	*693	*164	528	12,905	*28
Intangible drilling costs.....	176,206	*913	49,363	*1,640	27,143	83,321	*4,228	*4,210	18	3,933	5,666
Reserves for losses on bad debts of financial institutions.....	86,239	-	-	-	1,158	1	132	132	-	84,948	(⁴)
Accelerated depreciation of real property placed in service before 1987.....	107,872	*53	26	824	40,026	18,736	4,925	1,035	3,890	38,688	4,595
Accelerated depreciation of leased personal property placed in service before 1987.....	3,828	-	-	-	3,078	-	*548	99	*449	300	*99
Amortization of certified pollution control facilities placed in service before 1987.....	83	-	-	-	4	-	-	-	-	79	-
Total tax preference items.....	2,222,045	1,309	929,520	14,141	717,113	303,406	26,190	11,654	14,536	217,075	13,291
Adjusted current earnings adjustment.....	21,134,224	100,555	304,966	262,266	7,102,026	6,091,201	1,441,222	1,048,403	392,819	4,566,131	1,265,332
Alternative minimum taxable income before:											
alternative tax net operating loss deduction.....	112,278,965	413,325	3,946,098	1,171,905	50,745,331	21,374,425	6,676,681	3,216,787	3,459,913	23,403,091	4,541,070
Alternative tax net operating loss deduction.....	19,364,231	191,698	664,697	293,285	4,670,903	2,435,243	2,800,358	863,298	1,937,060	6,349,738	1,951,973
Alternative minimum tax foreign tax credit.....	5,977,712	*2,558	231,686	*30,830	4,432,844	286,803	35,299	25,561	9,738	828,508	129,185
Tentative minimum tax.....	12,504,381	35,985	442,594	128,258	4,764,675	3,465,807	717,595	435,734	281,861	2,585,084	364,308

² Estimate should be used with caution because of the small number of sample returns on which it is based.

¹ Includes "Nature of business not allocable" which is not shown separately.

³ Includes "Wholesale and retail trade not allocable" which is not shown separately.

⁴ Credits include foreign tax, U.S. possessions tax, orphan drug, nonconventional source fuel, general business, and prior year minimum tax credits.

⁵ Less than \$500 per return.

NOTE: Detail may not add to total because of rounding. See text for "Explanation of Terms" and "Description of the Sample and Limitations of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS WITH 50 PERCENT OR MORE FOREIGN OWNERSHIP

Table 24—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry

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

Item	Major industry						
	All Industries	Agriculture, forestry, and fishing	Mining				Nonmetallic minerals, except fuels
			Total	Metal mining	Coal mining	Oil and gas extraction	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of returns, total.....	49,943	1,121	1,263	592	8	639	24
Total assets.....	1,883,194,006	2,914,933	47,487,138	18,101,875	6,526,203	16,902,908	5,956,152
Cash.....	67,758,789	200,666	1,799,946	494,298	28,945	959,126	317,576
Notes and accounts receivable.....	399,769,157	208,828	5,698,718	1,530,115	1,305,113	2,565,619	297,871
Less: Allowance for bad debts.....	10,538,002	*3,671	42,227	6,717	869	22,364	*12,257
Inventories.....	118,024,132	342,248	1,935,553	800,270	267,182	662,005	208,096
Investments in Government obligations.....	58,295,704	3	*332,878	*63,401	-	*269,474	-
Tax-exempt securities.....	14,141,172	-	1,124	-	-	1,124	-
Other current assets.....	248,374,735	66,941	3,419,117	1,026,023	72,652	1,619,588	500,855
Loans to stockholders.....	20,439,932	*5,202	77,147	*38,654	-	*37,294	1,200
Mortgage and real estate loans.....	44,232,849	*27,872	*43,282	-	-	*43,282	-
Other investments.....	455,521,201	185,112	12,711,327	6,599,984	1,750,689	1,614,451	2,546,222
Depreciable assets.....	412,000,731	1,776,884	16,869,030	5,915,321	3,293,879	5,714,259	1,945,580
Less: Accumulated depreciation.....	161,546,668	743,111	7,880,640	1,865,223	1,747,683	3,434,938	832,796
Depletable assets.....	25,611,621	177,018	12,954,511	2,623,369	353,571	9,441,368	536,203
Less: Accumulated depletion.....	10,811,961	-	5,067,536	812,227	102,559	4,116,759	35,991
Land.....	37,138,220	600,245	1,121,278	*298,354	489,546	182,552	*150,827
Intangible assets (amortizable).....	107,428,107	55,853	2,585,396	737,783	642,172	994,314	211,127
Less: Accumulated amortization.....	22,527,893	21,920	1,073,158	254,936	302,003	488,163	30,055
Other assets.....	81,882,179	37,160	2,001,385	913,405	475,608	458,677	153,695
Total liabilities.....	1,883,194,008	2,914,933	47,487,138	18,101,875	6,526,203	16,902,908	5,956,152
Accounts payable.....	148,347,581	312,808	3,614,215	1,678,594	251,940	1,348,186	335,495
Mortgages, notes, and bonds payable in less than one year.....	246,660,627	365,120	4,732,805	1,155,894	91,697	2,221,130	1,284,083
Other current liabilities.....	481,761,596	109,633	3,361,490	1,076,582	463,246	1,415,777	405,884
Loans from stockholders.....	53,503,269	415,626	2,008,713	575,033	236,674	1,173,584	*23,423
Mortgages, notes, and bonds payable in one year or more.....	334,227,458	954,593	8,099,619	2,940,881	1,514,450	2,621,493	1,022,794
Other liabilities.....	207,169,643	301,644	5,256,372	2,390,197	2,202,414	565,692	98,069
Net worth.....	431,523,832	455,508	20,413,924	8,284,693	1,785,783	7,557,045	2,806,403
Capital stock.....	115,185,665	381,043	3,422,098	938,057	178,111	1,791,088	514,882
Paid-in or capital surplus.....	375,960,477	978,787	26,154,585	7,846,811	2,565,577	13,561,304	2,180,693
Retained earnings, appropriated.....	2,486,589	*2,571	14,764	-	-	-	-
Retained earnings, unappropriated.....	-59,985,725	-834,877	-9,098,780	-513,819	-929,262	-7,780,528	124,849
Less: Cost of treasury stock.....	2,123,174	*72,016	78,763	1,119	48,644	*14,769	*14,201
Total receipts.....	1,184,954,071	1,661,453	31,441,216	5,117,264	3,731,630	20,586,408	2,005,918
Business receipts.....	1,081,025,966	1,535,066	26,515,120	4,736,487	3,322,650	19,612,530	1,841,454
Interest.....	56,158,038	31,720	796,936	163,866	88,152	428,027	116,892
Interest on Government obligations:							
State and local.....	574,223	-	57	57	-	-	-
Rents.....	8,380,111	8,888	41,757	*4,119	5,730	30,159	*1,749
Royalties.....	3,952,590	38	72,068	*1,695	19,277	10,047	*1,050
Net short-term capital gain reduced by net long-term capital loss.....	820,671	-	*5,439	-	-	*4,832	607
Net long-term capital gain reduced by net short-term capital loss.....	5,051,942	*21,134	102,783	*7,199	15,679	79,154	*750
Net gain, noncapital assets.....	2,664,965	*6,322	88,968	19,628	2,493	62,254	*4,293
Dividends received from domestic corporations.....	1,285,254	*3,140	5,950	2,156	193	*3,537	84
Dividends received from foreign corporations.....	2,268,650	6,369	*21,193	*9,708	-	7,580	3,905
Other receipts.....	20,771,661	48,755	790,944	130,049	277,457	348,288	35,152
Total receipts less total deductions.....	1,179,908,746	1,811,760	30,788,292	5,051,839	3,569,427	20,175,120	1,991,907
Cost of sales and operations.....	787,777,641	1,058,525	22,565,160	2,935,639	2,387,475	15,698,990	1,343,055
Compensation of officers.....	7,652,938	16,256	116,748	17,720	4,517	80,689	*13,823
Repairs.....	5,688,623	10,748	144,128	*17,699	86,006	24,520	*15,803
Bad debts.....	7,395,331	11,379	46,761	*3,111	2,202	36,188	*5,262
Rent paid on business property.....	14,654,062	15,227	162,807	18,005	29,737	103,991	11,073
Taxes paid.....	19,333,052	38,224	498,722	54,574	230,930	171,342	41,878
Interest paid.....	61,484,261	84,746	1,115,718	388,141	145,947	429,436	152,183
Contributions or gifts.....	353,557	*536	16,121	*3,721	1,115	*10,760	525
Amortization.....	6,839,695	20,132	208,151	116,550	5,529	67,924	*16,148
Depreciation.....	35,082,820	120,081	1,368,337	547,469	171,743	518,091	131,033
Depletion.....	1,735,971	4,290	926,990	356,631	136,274	378,631	*55,453
Advertising.....	18,708,928	10,187	30,432	*3,490	4,717	15,948	*6,277
Pension, profit-sharing, stock bonus, and annuity plans.....	3,625,831	3,610	67,718	*4,475	12,416	41,764	9,063
Employee benefit programs.....	12,935,253	16,881	219,862	43,051	33,081	109,255	*34,475
Net loss, noncapital assets.....	2,625,150	33,193	179,580	22,829	1,079	155,033	*619
Other deductions.....	194,035,331	367,775	3,123,079	518,732	314,659	2,134,559	155,129
Total receipts less total deductions.....	5,045,325	-150,307	652,924	65,425	162,203	411,286	14,010
Constructive taxable income from related foreign corporations.....	1,217,503	143	22,478	10,177	-	12,301	-
Includable income of controlled foreign corporations.....	332,857	-	9,488	8,984	-	504	-
Foreign dividend income resulting from foreign taxes deemed paid.....	884,646	143	12,990	1,193	-	11,797	-
Net income (less deficit).....	5,688,805	-150,164	675,346	75,545	162,203	423,587	14,010
Statutory special deduction, total.....	8,262,150	24,046	315,689	47,576	13,147	216,260	*38,708
Net operating loss deduction.....	7,136,564	15,958	302,797	37,285	13,012	213,834	*38,666
Income subject to tax.....	24,062,504	26,533	1,298,308	*315,980	168,409	768,573	25,347
Income tax, total.....	8,895,247	9,547	518,148	140,575	77,777	281,608	*18,188
Regular tax.....	8,130,577	8,713	441,755	*108,302	64,059	260,779	8,615
Recapture of investment credit.....	1,284	-	-	-	-	-	-
Alternative minimum tax.....	721,506	*803	74,657	31,594	13,281	19,313	*10,469
Environmental tax.....	37,751	30	2,350	679	436	1,101	133
Foreign tax credit.....	1,209,183	-	*296,151	58,884	3,159	*234,108	-
U.S. possessions tax credit.....	166,980	48	-	-			

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS WITH 50 PERCENT OR MORE FOREIGN OWNERSHIP Table 24—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major Industry—Continued								
	Construction				Manufacturing				
	Total	General building contractors and operative builders	Heavy construction contractors	Special trade contractors	Total	Food and kindred products	Tobacco manufactures	Textile mill products	Apparel and other textile products
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
Number of returns, total.....	1,400	713	85	822	5,573	357	***	112	110
Total assets.....	8,347,980	5,816,846	1,560,282	970,853	600,338,386	62,641,103	***	9,967,450	2,040,069
Cash.....	522,399	321,957	143,578	56,866	12,297,610	1,075,224	***	208,660	133,153
Notes and accounts receivable.....	2,511,784	1,699,329	487,500	324,955	93,180,317	13,565,843	***	1,122,440	389,435
Less: Allowance for bad debts.....	75,269	61,895	5,357	*8,018	2,747,842	142,878	***	37,690	16,550
Inventories.....	618,415	467,055	60,075	91,285	58,854,028	5,853,745	***	1,039,231	597,856
Investments in Government obligations.....	31,378	-	31,378	-	342,288	*31,671	***	*185	-
Tax-exempt securities.....	17,415	-	17,415	-	59,556	-	***	92	5,089
Other current assets.....	818,857	552,902	209,846	56,310	36,808,784	2,801,930	***	130,839	167,004
Loans to stockholders.....	*174,939	*151,109	*3,703	*20,127	1,785,168	*90,818	***	23,220	*161
Mortgage and real estate loans.....	*15,559	*12,353	3,206	-	1,047,068	*726,060	***	4,000	-
Other investments.....	1,955,756	1,803,397	138,628	*13,731	148,105,685	13,550,510	***	1,291,733	301,504
Depreciable assets.....	1,864,070	809,510	598,372	456,188	238,869,508	17,157,883	***	4,526,035	608,860
Less: Accumulated depreciation.....	816,797	278,348	318,233	222,216	103,068,943	5,786,700	***	1,849,068	297,856
Depletable assets.....	*18,651	1,989	*16,662	-	11,305,478	2,956	***	22,957	-
Less: Accumulated depletion.....	*5,082	277	*4,805	-	5,457,699	2,504	***	1,707	-
Land.....	271,770	173,302	44,031	*54,437	13,552,862	947,072	***	77,588	11,195
Intangible assets (amortizable).....	208,939	78,084	*20,981	*109,674	71,612,536	11,860,138	***	782,849	141,867
Less: Accumulated amortization.....	50,488	21,078	*5,632	*23,788	14,486,609	1,554,203	***	179,346	*57,319
Other assets.....	267,696	107,457	119,136	41,102	37,978,900	2,693,558	***	2,805,431	55,592
Total liabilities.....	8,347,980	5,816,846	1,560,282	970,853	600,338,386	62,641,103	***	9,967,450	2,040,069
Accounts payable.....	1,451,771	982,208	277,992	191,571	54,369,289	8,017,172	***	576,545	264,152
Mortgages, notes, and bonds payable in less than one year.....	1,360,275	1,181,191	73,427	105,658	60,054,478	5,508,153	***	1,373,345	453,055
Other current liabilities.....	1,554,165	1,072,313	361,467	120,385	47,964,986	4,220,360	***	574,842	190,445
Loans from stockholders.....	444,081	287,156	*91,163	*65,762	18,437,571	3,069,367	***	*88,735	*59,856
Mortgages, notes, and bonds payable in one year or more.....	1,635,284	1,249,605	247,500	138,179	155,425,314	19,047,758	***	2,608,483	408,048
Other liabilities.....	939,125	808,990	67,361	*62,773	58,578,529	1,633,374	***	2,784,539	67,845
Net worth.....	963,278	235,382	441,372	286,525	205,488,201	21,144,913	***	1,960,961	598,588
Capital stock.....	838,100	651,288	114,457	72,355	34,635,389	2,281,479	***	550,158	157,141
Paid-in or capital surplus.....	1,641,755	888,842	465,279	287,635	181,124,583	14,994,641	***	1,607,920	549,780
Retained earnings, appropriated.....	-	-	-	-	355,536	41,116	***	-	-
Retained earnings, unappropriated.....	-1,516,576	-1,304,748	-138,364	-73,465	-10,217,840	3,854,565	***	-188,386	-107,427
Less: Cost of treasury stock.....	-	-	-	-	409,468	*6,889	***	*10,731	2,926
Total receipts.....	11,394,736	6,928,252	2,832,342	1,634,143	484,560,858	50,306,455	***	7,533,376	2,456,887
Business receipts.....	10,863,027	6,595,730	2,760,092	1,507,205	461,250,184	46,818,053	***	7,230,885	2,401,201
Interest.....	182,199	151,469	15,845	14,885	8,070,615	1,477,318	***	78,036	15,517
Interest on Government obligations:	-	-	-	-	-	-	***	-	-
State and local.....	1,848	535	*1,311	-	28,890	1,152	***	15	15
Rents.....	66,466	28,495	*8,322	*29,648	1,874,236	131,647	***	*20,028	*2,195
Royalties.....	*226	-	178	*49	2,521,487	422,911	***	40,854	*4,037
Net short-term capital gain reduced by net long-term capital loss.....	2,146	27	2,052	67	123,639	*1,651	***	-	-
Net long-term capital gain reduced by net short-term capital loss.....	*31,800	*30,661	*1,139	-	1,237,975	377,730	***	2,607	71
Net gain, noncapital assets.....	25,813	21,394	3,710	*709	650,504	47,969	***	13,879	*2,419
Dividends received from domestic corporations.....	1,442	231	1,205	7	561,644	285,677	***	406	*2,714
Dividends received from foreign corporations.....	*561	-	-	*561	1,205,036	190,276	***	42,403	311
Other receipts.....	219,210	99,710	38,488	81,011	7,036,648	552,070	***	104,465	28,406
Total deductions.....	11,752,685	7,304,652	2,793,636	1,654,397	480,004,841	49,529,869	***	7,234,644	2,464,835
Cost of sales and operations.....	9,580,516	6,189,470	2,393,428	997,618	317,498,672	30,791,540	***	4,842,774	1,763,262
Compensation of officers.....	131,771	61,198	37,470	33,102	2,519,503	229,960	***	56,168	27,220
Repairs.....	18,519	8,640	3,042	6,638	3,668,621	328,430	***	17,842	9,180
Bad debts.....	99,920	93,165	2,440	*4,315	1,550,882	65,416	***	20,749	15,798
Rent paid on business property.....	98,977	46,226	17,903	34,648	5,432,687	548,393	***	54,510	33,995
Taxes paid.....	97,534	44,049	24,037	29,447	10,398,235	975,458	***	164,210	47,479
Interest paid.....	253,102	192,166	30,374	30,563	19,577,199	2,880,323	***	297,498	70,431
Contributions or gifts.....	1,906	*582	*227	*1,098	223,901	24,096	***	6,105	*502
Amortization.....	13,499	5,855	2,714	*4,929	2,437,091	260,419	***	52,223	9,214
Depreciation.....	184,656	65,990	52,991	45,705	16,409,944	1,346,818	***	399,134	54,270
Depletion.....	*1,188	101	*1,088	-	730,595	*1,242	***	1,824	-
Advertising.....	24,152	9,308	2,967	11,876	9,558,474	1,850,136	***	56,534	29,590
Pension, profit-sharing, stock bonus, and annuity plans.....	20,829	11,911	5,554	*3,363	2,277,636	160,966	***	39,008	3,824
Employee benefit programs.....	77,637	18,220	10,879	*48,538	8,058,040	819,349	***	117,363	37,289
Net loss, noncapital assets.....	6,942	1,902	*1,240	*3,800	527,309	57,055	***	6,482	*7,288
Other deductions.....	1,161,537	555,898	207,282	398,357	79,135,650	9,212,465	***	1,102,119	355,525
Total receipts less total deductions.....	-357,948	-376,400	38,706	-20,254	4,556,018	776,588	***	298,731	-7,948
Constructive taxable income from related foreign corporations.....	-	-	-	-	577,735	87,645	***	20,124	75
Includable income of controlled foreign corporations.....	-	-	-	-	167,179	9,552	***		

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS WITH 50 PERCENT OR MORE FOREIGN OWNERSHIP Table 24--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major Industry--Continued								
	Manufacturing--Continued								
	Lumber and wood products	Furniture and fixtures	Paper and allied products	Printing and publishing	Chemical and allied products	Petroleum (including integrated) and coal products	Rubber and miscellaneous plastics	Leather and leather products	Stone, clay, and glass products
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
Number of returns, total.....	456	74	197	342	376	31	233	***	142
Total assets.....	1,004,442	2,190,488	8,409,363	59,869,224	111,252,382	124,157,311	18,112,691	***	23,263,522
Cash.....	39,404	58,460	212,639	986,021	2,404,463	359,764	199,689	***	517,880
Notes and accounts receivable.....	188,217	358,441	898,160	4,736,200	16,172,734	10,694,104	3,224,507	***	2,300,332
Less: Allowance for bad debts.....	*9,330	12,307	31,709	475,272	521,863	104,475	112,476	***	139,453
Inventories.....	246,290	346,419	936,131	2,547,339	11,522,949	3,997,443	2,324,379	***	2,285,761
Investments in Government obligations.....	-	-	-	-	29,462	25	-	***	28
Tax-exempt securities.....	-	-	-	13,878	1,618	-	-	***	2,854
Other current assets.....	17,182	38,564	347,566	3,125,788	7,223,094	12,586,815	282,202	***	851,013
Loans to stockholders.....	-	6,507	*45,116	*310,795	341,456	133,805	*20,628	***	*11,488
Mortgage and real estate loans.....	-	-	107	*3,765	10,384	158	-	***	2,960
Other investments.....	*135,620	*713,535	889,306	32,551,839	18,178,810	52,949,388	4,354,973	***	3,924,851
Depreciable assets.....	565,250	713,603	6,802,360	7,120,413	52,922,804	55,792,190	9,827,692	***	12,221,041
Less: Accumulated depreciation.....	272,647	234,673	2,484,022	3,122,804	21,373,211	26,803,910	4,032,461	***	4,924,900
Depletable assets.....	8,321	-	482,704	3,329	83,271	9,525,743	-	***	828,151
Less: Accumulated depletion.....	-	-	155,443	721	38,532	4,911,293	-	***	73,425
Land.....	23,666	16,679	136,481	451,843	2,004,538	1,602,410	125,022	***	918,079
Intangible assets (amortizable).....	*43,871	*133,290	308,071	11,619,514	13,355,318	6,815,466	680,577	***	3,795,384
Less: Accumulated amortization.....	*9,407	*25,560	38,679	2,463,605	2,566,500	2,973,297	138,303	***	447,191
Other assets.....	25,704	77,532	278,585	2,379,087	11,521,588	4,492,974	1,346,261	***	1,178,673
Total liabilities.....	1,004,442	2,190,488	8,409,363	59,869,224	111,252,382	124,157,311	18,112,691	***	23,263,522
Accounts payable.....	167,159	318,636	704,403	1,811,577	7,208,532	9,042,508	1,687,097	***	1,349,615
Mortgages, notes, and bonds payable in less than one year.....	132,360	328,653	334,604	4,657,635	9,882,313	12,664,064	3,464,746	***	1,511,121
Other current liabilities.....	55,173	112,712	472,273	5,460,220	9,676,727	3,070,966	1,579,268	***	1,495,490
Loans from stockholders.....	*40,259	*28,485	316,206	1,090,393	3,880,091	*1,654,310	346,675	***	1,342,951
Mortgages, notes, and bonds payable in one year or more.....	226,469	534,947	5,656,439	24,460,305	25,785,832	21,762,221	3,327,343	***	7,764,220
Other liabilities.....	*28,222	*272,650	889,724	3,261,907	12,167,281	12,277,915	2,726,097	***	2,099,615
Net worth.....	354,799	596,206	35,714	19,127,188	42,671,606	83,885,327	5,001,264	***	7,700,309
Capital stock.....	237,516	308,809	1,433,105	5,348,043	6,598,017	1,110,031	1,185,124	***	1,585,124
Paid-in or capital surplus.....	*182,552	*644,735	2,158,049	18,226,215	32,018,797	44,830,049	5,830,326	***	8,699,849
Retained earnings, appropriated.....	-	-	-	4,370	*96,284	23,923	-	***	13,210
Retained earnings, unappropriated.....	-64,821	-356,899	-3,553,498	-4,300,653	4,008,367	18,274,512	-1,949,181	***	-2,585,833
Less: Cost of treasury stock.....	449	*438	*1,942	150,787	49,860	554	-	***	*12,040
Total receipts.....	3,280,238	3,019,625	9,783,314	21,376,925	94,409,640	74,703,690	14,974,791	***	14,988,098
Business receipts.....	3,220,770	2,780,222	9,577,742	19,038,640	89,779,054	71,026,732	14,269,837	***	14,440,231
Interest.....	14,078	21,879	57,063	1,149,168	1,335,032	1,424,731	319,427	***	183,715
Interest on Government obligations:									
State and local.....	110	-	*384	*133	14,286	2,974	327	***	316
Rents.....	*1,176	*4,582	12,878	170,310	263,591	237,162	29,252	***	16,744
Royalties.....	-	20,569	4,156	185,951	455,522	369,268	133,300	***	24,016
Net short-term capital gain reduced by net long-term capital loss.....	-	-	588	*29,617	15,223	*13,731	*2,783	***	1,993
Net long-term capital gain reduced by net short-term capital loss.....	4,846	*60,795	13,508	142,811	235,541	*24,297	*10,039	***	25,730
Net gain, noncapital assets.....	*22,334	391	15,261	16,866	84,199	224,178	17,891	***	20,797
Dividends received from domestic corporations.....	-	1	9,111	11,335	78,187	124,691	519	***	1,018
Dividends received from foreign corporations.....	8,397	104,423	*3,076	24,664	509,434	46,880	*2,968	***	13,481
Other receipts.....	8,525	26,783	89,548	607,031	1,539,571	1,209,044	188,437	***	260,058
Total deductions.....	3,263,923	2,862,543	9,964,418	21,073,680	91,370,140	73,434,551	15,371,290	***	15,280,769
Cost of sales and operations.....	2,807,432	2,233,076	7,220,654	9,566,183	51,125,910	52,748,933	10,416,398	***	10,376,813
Compensation of officers.....	30,577	24,971	54,168	183,741	488,013	65,030	68,662	***	98,140
Repairs.....	6,732	3,346	206,668	93,309	685,147	1,239,088	26,266	***	181,074
Bad debts.....	3,981	13,143	16,480	179,186	356,665	139,101	56,909	***	50,089
Rent paid on business property.....	13,153	36,752	108,690	391,234	1,090,639	1,021,270	215,127	***	141,185
Taxes paid.....	30,208	36,851	195,444	446,454	1,617,276	3,182,797	283,657	***	352,724
Interest paid.....	36,939	67,790	527,738	2,317,378	3,484,620	2,846,729	623,968	***	730,890
Contributions or gifts.....	*138	*214	1,318	3,134	111,115	36,237	867	***	804
Amortization.....	1,974	10,972	28,293	388,291	593,273	262,060	33,158	***	66,194
Depreciation.....	51,091	63,844	475,579	560,248	4,151,743	2,243,811	647,251	***	717,900
Depletion.....	-	-	12,117	271	88,188	459,518	268	***	58,017
Advertising.....	10,185	19,161	38,686	730,692	3,448,737	216,874	236,382	***	77,292
Pension, profit-sharing, stock bonus, and annuity plans.....	*8,214	*2,124	24,518	102,031	470,252	217,417	209,538	***	105,477
Employee benefit programs.....	24,670	24,996	198,943	404,388	2,118,584	255,546	251,662	***	317,679
Net loss, noncapital assets.....	*88	*1,047	*2,125	27,490	91,914	65,077	9,940	***	30,507
Other deductions.....	238,541	315,252	852,975	5,659,648	21,448,064	8,435,064	2,289,041	***	1,975,986
Total receipts less total deductions.....	16,314	157,083	-181,103	303,245	3,039,500	1,269,139	-396,499	***	-292,671
Constructive taxable income from related foreign corporations.....	1,145	57,170	135	2,513	222,283	42,425	5,697	***	107
Includable income of controlled foreign corporations.....	-	290							

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS WITH 50 PERCENT OR MORE FOREIGN OWNERSHIP

Table 24—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major Industry—Continued							
	Manufacturing—Continued							
	Primary metal industries	Fabricated metal products	Machinery, except electrical	Electrical and electronic equipment	Motor vehicles and equipment	Transportation equipment, except motor vehicles	Instruments and related products	Miscellaneous manufacturing and manufacturing not allocable
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
Number of returns, total.....	104	438	722	973	181	92	449	178
Total assets.....	26,446,113	23,718,198	21,578,544	46,841,816	12,373,502	6,049,234	17,563,730	9,222,879
Cash.....	434,150	805,876	930,867	1,430,722	723,789	504,336	731,211	465,905
Notes and accounts receivable.....	4,618,583	4,947,800	5,702,430	11,498,549	2,372,523	1,059,342	3,805,780	2,276,143
Less: Allowance for bad debts.....	99,039	112,765	186,977	484,215	50,114	26,482	122,807	72,333
Inventories.....	3,487,454	2,868,530	5,048,472	6,843,127	2,174,466	872,863	2,873,799	1,425,260
Investments in Government obligations.....	1,400	*12,779	*22,685	*92,828	-	72,525	585	-
Tax-exempt securities.....	-	-	*33,451	1,539	1,254	-	-	-
Other current assets.....	1,868,078	971,351	964,073	2,160,518	497,914	546,161	1,646,157	394,562
Loans to stockholders.....	303,589	*69,623	*109,744	111,499	*3,359	128,153	*46,201	*11,091
Mortgage and real estate loans.....	-	*8,758	843	284,781	25	4,946	240	20
Other investments.....	2,568,031	4,941,053	862,221	6,865,250	618,433	512,991	2,030,882	609,036
Depreciable assets.....	13,540,310	9,190,428	8,876,377	16,138,640	7,937,099	1,456,599	4,984,181	3,303,186
Less: Accumulated depreciation.....	5,753,936	4,289,835	4,125,517	7,732,829	2,850,192	626,353	2,286,237	1,124,798
Depletable assets.....	227,936	258	4,771	-	-	2,068	-	*113,011
Less: Accumulated depletion.....	226,621	25	-	-	-	-	-	47,429
Land.....	276,404	237,224	258,540	505,755	120,061	373,921	194,821	86,697
Intangible assets (amortizable).....	3,664,703	2,252,636	2,247,695	6,625,919	734,629	793,162	3,653,791	1,862,568
Less: Accumulated amortization.....	218,460	294,685	472,284	1,166,231	234,255	123,788	860,715	387,893
Other assets.....	1,975,552	2,109,090	1,202,152	3,645,864	324,510	498,829	865,642	307,853
Total liabilities.....	26,446,113	23,718,198	21,578,544	46,841,816	12,373,502	6,049,234	17,563,730	9,222,879
Accounts payable.....	3,839,626	3,184,799	3,477,012	6,381,290	2,382,784	600,947	1,568,411	1,157,418
Mortgages, notes, and bonds payable in less than one year.....	2,062,134	2,137,815	3,760,054	7,015,406	1,871,134	534,846	1,408,814	723,825
Other current liabilities.....	2,197,694	1,744,668	2,700,323	6,000,555	1,211,129	1,075,181	3,475,016	769,542
Loans from stockholders.....	1,892,042	899,940	862,120	975,373	326,541	*204,948	598,271	960,709
Mortgages, notes, and bonds payable in one year or more.....	6,233,468	5,288,665	4,153,327	7,199,977	2,548,515	1,300,151	3,793,620	2,908,174
Other liabilities.....	3,300,496	3,632,623	1,143,290	3,897,873	682,751	429,174	1,271,809	816,730
Net worth.....	6,920,654	6,629,666	5,683,419	15,371,342	3,350,668	1,903,987	5,417,791	1,866,482
Capital stock.....	1,416,829	1,747,292	2,615,350	3,581,654	2,865,724	478,772	471,335	618,706
Paid-in or capital surplus.....	6,336,989	7,248,246	6,290,130	15,851,919	3,062,033	3,167,056	6,554,522	2,545,843
Retained earnings, appropriated.....	13,804	*8,613	114,122	5,742	3,913	*455	3,060	*16,836
Retained earnings, unappropriated.....	-846,968	-2,168,911	-3,269,925	-4,049,096	-2,571,353	-1,680,751	-1,602,532	-1,290,733
Less: Cost of treasury stock.....	-	5,554	*66,259	*19,078	9,648	*59,547	*8,595	*4,171
Total receipts.....	25,014,804	22,903,015	25,662,519	51,347,315	20,619,862	5,371,062	16,343,330	8,538,647
Business receipts.....	24,549,250	21,237,658	24,598,497	49,021,715	20,281,148	5,089,033	15,496,556	8,241,916
Interest.....	197,316	187,022	302,310	500,113	79,860	96,637	227,491	77,982
Interest on Government obligations:								
State and local.....	148	*936	4,512	2,562	203	18	*704	93
Rents.....	17,306	87,294	159,119	550,879	10,691	*7,467	36,016	6,405
Royalties.....	52,630	47,316	88,637	416,124	*3,944	12,185	36,704	63,201
Net short-term capital gain reduced by net long-term capital loss.....	596	-	7,030	*27,209	208	976	21,624	-
Net long-term capital gain reduced by net short-term capital loss.....	11,946	31,298	68,850	79,095	64,794	*7,906	3,314	14,910
Net gain, noncapital assets.....	27,891	23,933	26,868	22,606	31,070	30,599	9,991	10,602
Dividends received from domestic corporations.....	10,374	13,984	951	11,822	1,826	837	*8,860	*137
Dividends received from foreign corporations.....	3,706	26,081	48,110	65,180	46,077	829	29,071	*7,117
Other receipts.....	143,642	345,494	357,637	650,008	120,240	124,574	474,799	116,284
Total deductions.....	25,264,777	21,980,973	26,101,821	51,539,594	21,135,754	5,362,971	15,806,863	8,608,134
Cost of sales and operations.....	20,212,410	16,291,459	17,676,579	34,618,879	17,605,470	4,063,109	9,899,817	5,458,624
Compensation of officers.....	85,325	162,746	259,984	282,014	60,146	42,075	162,258	95,720
Repairs.....	210,356	115,592	102,378	214,600	64,371	19,157	42,171	20,560
Bad debts.....	61,912	62,913	67,599	279,338	33,606	15,255	58,793	36,188
Rent paid on business property.....	232,680	134,796	310,433	627,996	92,430	39,234	179,349	85,023
Taxes paid.....	355,621	367,047	457,947	717,998	197,348	90,221	352,914	155,268
Interest paid.....	671,387	716,124	695,940	1,236,426	375,522	197,027	495,714	265,688
Contributions or gifts.....	4,139	2,743	2,494	10,426	2,786	2,184	7,814	2,081
Amortization.....	61,486	62,609	138,384	200,913	69,496	24,910	82,436	78,616
Depreciation.....	856,999	571,853	850,092	1,567,350	742,479	130,090	411,708	272,960
Depletion.....	13,343	-	-	5	-	-	7	*2,253
Advertising.....	32,230	141,227	176,824	913,047	43,523	16,449	172,637	490,983
Pension, profit-sharing, stock bonus, and annuity plans.....	218,593	120,107	146,880	229,447	54,663	26,161	75,740	28,617
Employee benefit programs.....	495,162	409,100	503,013	952,684	357,657	115,930	316,842	142,269
Net loss, noncapital assets.....	23,089	26,370	18,319	66,136	10,049	1,620	41,287	38,447
Other deductions.....	1,730,045	2,776,287	4,494,973	9,622,355	1,426,207	579,250	3,507,378	1,436,640
Total receipts less total deductions.....	-249,973	42,042	-439,302	-192,278	-515,892	8,091	536,467	-69,887
Constructive taxable income from related foreign corporations.....	2,128	26,531	*15,067	45,516	33,341	47	4,829	*2,177
Includable income of controlled foreign corporations.....	1,581	17,036	*2,187	17,343	-	1	36	*620
Foreign dividend income resulting from foreign taxes deemed paid.....	548	9,494	*12,881	28,173	33,341	47	4,793	*1,558
Net income (less deficit).....	-247,992	67,637	-428,746	-149,325	-482,754	8,120	540,593	-67,403
Statutory special deduction, total.....	109,811	113,371	128,426	247,308	103,103	45,929	227,995	57,785

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS WITH 50 PERCENT OR MORE FOREIGN OWNERSHIP Table 24—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued								
	Transportation and public utilities				Wholesale and retail trade				
	Total	Transportation	Communication	Electric, gas, and sanitary services	Total	Total	Groceries and related products	Machinery, equipment, and supplies	Miscellaneous wholesale trade
(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	
Number of returns, total.....	2,877	2,528	208	141	16,368	12,053	712	2,304	9,036
Total assets.....	27,031,603	13,080,228	8,473,581	5,477,794	249,551,262	210,382,374	6,964,674	21,927,568	181,490,132
Cash.....	1,209,419	894,144	142,141	173,134	10,485,437	8,421,742	255,262	968,220	7,198,260
Notes and accounts receivable.....	3,289,683	1,859,720	696,486	733,477	72,637,147	68,158,385	1,242,045	7,703,270	59,213,070
Less: Allowance for bad debts.....	114,781	67,319	*38,058	9,403	2,201,792	1,889,689	52,379	208,377	1,628,933
Inventories.....	598,681	148,502	*330,069	118,079	49,858,483	40,884,611	1,883,110	5,026,483	34,175,019
Investments in Government obligations.....	9,698	9,698	-	-	231,588	131,405	*1,233	-	130,172
Tax-exempt securities.....	50,749	48,617	1,932	-	78,594	64,848	82	*8,084	*56,471
Other current assets.....	1,477,509	1,116,164	185,086	198,259	18,380,845	17,029,627	342,822	1,445,198	15,241,607
Loans to stockholders.....	110,496	*77,660	*403	*32,432	751,266	559,670	*33,171	202,918	323,581
Mortgage and real estate loans.....	*22,128	*21,044	-	*1,085	250,509	242,448	4,155	*163,283	75,011
Other investments.....	6,553,771	3,053,132	2,347,228	1,153,411	27,397,508	22,829,758	549,398	3,143,529	19,138,931
Depreciable assets.....	13,582,505	7,241,953	3,271,014	3,069,538	88,950,487	51,309,103	2,248,978	3,636,089	45,424,039
Less: Accumulated depreciation.....	4,722,799	2,542,398	1,291,798	888,605	25,650,857	18,977,393	980,550	1,478,535	16,538,308
Depletable assets.....	91,560	91,454	-	107	432,058	*299,278	-	*1,429	297,849
Less: Accumulated depletion.....	18,132	18,025	-	107	107,184	*70,165	-	*427	69,738
Land.....	486,062	307,884	*31,348	148,831	4,599,149	2,595,220	129,250	280,134	2,185,637
Intangible assets (amortizable).....	3,228,918	683,918	*1,980,234	584,786	15,700,395	12,723,746	958,497	522,320	11,242,929
Less: Accumulated amortization.....	755,054	219,889	*363,714	171,451	2,338,549	1,905,276	148,385	133,094	1,623,797
Other assets.....	1,933,191	373,770	*1,221,180	338,240	10,098,179	7,875,255	677,977	647,046	6,850,232
Total liabilities.....	27,031,603	13,080,228	8,473,581	5,477,794	249,551,262	210,382,374	6,964,674	21,927,568	181,490,132
Accounts payable.....	2,071,289	1,540,759	198,530	334,000	43,460,118	38,371,260	1,128,626	5,520,129	31,722,508
Mortgages, notes, and bonds payable in less than one year.....	4,385,441	3,826,260	139,245	419,937	62,010,493	58,543,844	1,029,233	5,190,476	52,324,135
Other current liabilities.....	1,855,299	1,655,299	781,281	435,358	22,326,312	18,829,988	637,796	2,226,607	15,765,582
Loans from stockholders.....	1,110,316	834,316	*128,273	*147,727	6,482,060	5,186,890	*313,936	597,745	4,275,209
Mortgages, notes, and bonds payable in one year or more.....	7,333,983	3,665,927	*931,872	2,736,164	46,706,696	33,918,172	1,541,180	2,676,437	29,500,555
Other liabilities.....	2,218,140	1,424,482	*383,445	410,213	16,913,508	12,568,038	159,697	1,545,890	10,862,480
Net worth.....	7,040,515	133,184	5,912,936	994,395	51,652,047	43,164,184	2,154,236	3,970,284	37,039,664
Capital stock.....	2,143,054	1,222,818	243,271	677,167	27,836,598	24,558,017	548,634	2,936,092	21,073,291
Paid-in or capital surplus.....	8,510,788	2,076,620	5,539,046	895,102	33,099,124	20,305,598	1,321,881	2,845,885	18,138,033
Retained earnings, appropriated.....	*10,872	*7,881	-	2,811	72,754	*64,059	3,443	*1,605	*58,111
Retained earnings, unappropriated.....	-3,317,725	-2,916,538	130,619	-531,806	-9,218,273	-1,690,884	285,849	-1,799,192	-177,542
Less: Cost of treasury stock.....	*308,254	*257,376	-	*48,879	138,156	72,605	*5,570	*13,805	63,229
Total receipts.....	23,581,400	15,603,550	3,683,308	4,294,544	468,073,958	393,246,011	19,834,558	31,308,828	342,102,625
Business receipts.....	21,448,953	14,184,728	3,419,881	3,844,344	453,272,036	382,188,282	18,445,017	30,270,479	332,472,786
Interest.....	732,657	312,627	201,932	218,098	4,784,940	4,088,694	60,982	405,501	3,602,231
Interest on Government obligations:									
State and local.....	2,661	2,500	161	-	13,793	12,621	*37	1,244	11,340
Rents.....	305,729	301,774	*879	3,078	1,994,416	1,785,415	21,782	268,768	1,494,885
Royalties.....	30,035	235	*916	*28,884	460,110	330,467	1,311	6,478	322,677
Net short-term capital gain reduced by net long-term capital loss.....	*70	55	-	*15	50,150	45,907	31	*1,589	44,307
Net long-term capital gain reduced by net short-term capital loss.....	53,636	44,059	8,110	1,466	1,538,763	170,404	4,313	6,350	159,741
Net gain, noncapital assets.....	79,583	29,556	*458	49,569	1,087,148	923,299	2,156	32,867	888,477
Dividends received from domestic corporations.....	23,715	8,653	*1,478	13,584	77,313	70,380	11,198	4,049	55,132
Dividends received from foreign corporations.....	*15,362	*11,117	-	4,245	653,130	650,448	8,119	30,059	612,271
Other receipts.....	888,999	708,246	*49,489	131,263	4,142,180	3,000,095	279,650	281,686	2,438,779
Total deductions.....	23,035,943	15,377,200	3,382,260	4,276,483	467,146,946	393,088,840	19,858,541	31,402,316	341,827,983
Cost of sales and operations.....	11,341,244	7,795,683	*1,341,223	2,204,336	380,617,352	329,486,171	16,802,247	25,576,113	287,107,811
Compensation of officers.....	208,197	157,827	29,437	1,857,245	75,474	1,517,834	75,474	245,691	1,196,669
Repairs.....	282,297	148,994	*104,196	29,107	891,138	588,812	60,389	49,679	458,743
Bad debts.....	99,203	48,747	*32,633	17,823	1,362,509	978,266	47,157	96,755	832,354
Rent paid on business property.....	805,583	649,842	66,288	89,473	4,340,650	2,079,333	171,183	213,301	1,694,850
Taxes paid.....	510,104	350,412	53,020	106,671	4,131,942	2,881,968	173,669	254,074	2,454,228
Interest paid.....	1,046,938	428,108	172,608	448,222	8,569,121	6,973,579	204,608	611,169	6,157,771
Contributions or gifts.....	4,513	3,553	408	*553	66,685	47,587	1,692	2,169	43,707
Amortization.....	557,533	150,699	*389,407	37,428	1,978,200	1,796,549	36,080	37,240	1,723,229
Depreciation.....	979,151	465,201	265,272	248,878	9,547,227	8,172,844	177,963	457,336	7,537,548
Depletion.....	4,314	3,367	-	947	34,008	34,007	26	1,272	32,710
Advertising.....	173,247	74,751	91,780	6,716	7,489,192	6,351,537	201,712	244,438	5,905,387
Pension, profit-sharing, stock bonus, and annuity plans.....	102,001	37,916	56,231	7,854	593,375	421,866	44,027	36,571	341,269
Employee benefit programs.....	387,369	236,568	*105,530	45,271	2,495,824	1,576,882	135,305	215,736	1,225,841
Net loss, noncapital assets.....	52,394	48,245	*3,595	*554	624,171	176,908	5,226	23,914	147,768
Other deductions.....	6,481,858	4,777,467	898,859	1,005,412	42,550,508	30,026,717	1,721,784	3,338,628	24,968,104
Total receipts less total deductions.....	545,457	226,350	301,046	18,061	927,013	157,171	-23,983	-93,488	274,642
Constructive taxable income from related foreign corporations.....	1,872	1,072	67	733	359,316	357,916	*830	*14,946	342,140
Includable income of controlled foreign corporations.....	799	511	67	221	22,910	22,235	*70	*1,228	20,939
Foreign dividend income resulting from foreign taxes deemed paid.....	1,073	561	-	512	336,406	335,681	760	13,720	321,201
Net income (less deficit).....	544,668	224,922	300,952	18,794	1,272,536	502,466	-23,190	-79,786	605,442
Statutory special deduction, total.....	370,897	119,534	*152,170	*99,193	2,382,387	878,543	28,821	103,571	745,150
Net operating loss deduction.....	351,009	113,291	150,988	*867,30	2,315,650	819,136	17,732	99,858	701,546
Income subject to tax.....	642,562	405,837	220,200	*16,526	4,731,384	3,855,492	158,175	307,108	3,390,209
Income tax, total.....	247,671	138,978	*80,614	28,079	1,833,548	1,496,223	54,462	108,271	1,333,490
Regular tax.....	215,860	135,367	74,875	*5,619	1,592,468	1,297,208	53,632	101,117	1,142,456
Recapture of investment credit.....	1	-	1	-	603	141	-	10	13
Alternative minimum tax.....	30,862	3,149	5,426	*22,267	232,162	193,293	*661	6,872	185,760
Environmental tax.....	902	463	267	173	8,119	5,407	267	267	4,972
Foreign tax credit.....	1,455	1,446	9	-	317,916	306,894	*2,205	*14,251	290,438
U.S. possessions tax credit.....	57,597	-	57,597	-	287	287	-	67	200
Orphan drug credit.....	-	-	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	-	-	-	-	2	-	-	-	-
General business credit.....	2,015	2,004	12	-	21,349	12,333	251	*1,128	10,953
Prior year minimum tax credit.....	*5,019	*5,019	-	-	31,864	19,224	3,219	448	15,557
Total income tax after credits.....	181,585	130,510	*22,996	28,079	1,462,151	1,157,505	48,787	92,377	1,016,342

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS WITH 50 PERCENT OR MORE FOREIGN OWNERSHIP Table 24—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued										
	Wholesale and retail trade—continued										
	Total	Retail trade									Wholesale and retail trade not allocable
		Building materials, garden supplies and mobile home dealers	General merchandise stores	Food stores	Automotive dealers and service stations	Apparel and accessory stores	Furniture and home furnishing stores	Eating and drinking places	Miscellaneous retail stores		
(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)		
Number of returns, total.....	4,311	*34	14	712	229	534	188	671	1,929	*4	
Total assets.....	38,795,636	*1,142,538	1,956,258	12,672,181	1,460,267	2,866,769	1,479,343	4,255,808	12,962,473	*373,252	
Cash.....	2,022,575	*33,813	190,101	552,408	121,619	182,671	608,997	252,374	608,997	*41,119	
Notes and accounts receivable.....	4,382,720	*129,389	*310,500	613,178	158,519	462,200	144,228	354,910	2,209,796	*96,042	
Less: Allowance for bad debts.....	311,377	*5,914	*10,483	*15,860	13,098	10,455	4,877	28,718	221,871	*727	
Inventories.....	8,947,515	*394,977	*398,490	2,718,749	539,261	824,787	484,562	186,677	3,400,012	*26,358	
Investments in Government obligations.....	100,183	-	235	22,989	-	-	-	14	78,945	-	
Tax-exempt securities.....	11,948	-	-	-	-	-	-	-	11,948	-	
Other current assets.....	1,288,335	*18,434	163,418	266,232	55,357	122,527	*154,264	131,107	378,995	*62,682	
Loans to stockholders.....	191,389	-	227	52,465	*1,873	*2,337	*1,785	*71,292	*61,409	207	
Mortgage and real estate loans.....	*8,060	-	-	-	-	540	*249	2,243	5,028	-	
Other investments.....	4,520,688	*23,607	*322,465	1,089,467	26,113	152,073	*92,784	358,675	2,455,501	47,085	
Depreciable assets.....	17,556,877	*479,800	*712,293	8,857,633	505,298	1,331,956	*582,550	2,678,933	2,408,143	*84,507	
Less: Accumulated depreciation.....	6,653,921	*158,434	*293,558	3,260,278	145,111	584,294	*235,969	998,399	997,968	*19,343	
Depletable assets.....	*119,698	*4,890	-	101,616	-	-	-	*10,541	2,650	13,082	
Less: Accumulated depletion.....	*32,814	*2,527	-	25,867	-	-	-	*2,746	1,674	4,205	
Land.....	1,982,480	*101,424	45,747	1,071,213	121,889	*48,878	*22,113	385,574	165,644	21,448	
Intangible assets (amortizable).....	2,976,394	105,329	*23,910	195,875	242,843	242,843	*145,199	355,771	1,842,085	254	
Less: Accumulated amortization.....	433,047	39,133	*16,058	*28,336	*18,407	81,501	*14,395	57,724	177,493	228	
Other assets.....	2,117,958	*56,883	*108,971	460,697	41,602	152,206	*25,678	555,193	718,427	*4,988	
Total liabilities.....	38,795,636	*1,142,538	1,956,258	12,672,181	1,460,267	2,866,769	1,479,343	4,255,808	12,962,473	*373,252	
Accounts payable.....	5,023,339	*180,981	129,646	1,801,036	111,912	327,473	273,649	322,744	1,875,898	*65,518	
Mortgages, notes, and bonds payable in less than one year.....	3,349,989	*87,802	44,532	874,267	407,590	233,786	*94,039	298,449	1,309,725	*116,660	
Other current liabilities.....	3,667,946	*69,677	*226,157	1,166,945	206,139	312,201	*254,788	936,085	1,306,065	*28,380	
Loans from stockholders.....	1,279,775	*982	*36,320	*53,211	*4,091	54,150	*33,042	421,490	676,488	15,425	
Mortgages, notes, and bonds payable in one year or more.....	12,688,697	*583,699	*521,542	6,124,435	322,248	910,244	*137,326	1,773,711	2,335,492	*99,827	
Other liabilities.....	4,321,941	*39,948	*606,979	631,026	77,544	73,599	*161,591	269,338	2,461,916	23,529	
Net worth.....	8,463,949	*199,649	391,083	2,021,260	330,742	955,315	*524,906	674,103	3,366,890	*23,914	
Capital stock.....	3,278,581	*22,759	430,715	497,291	106,406	388,971	*53,307	508,830	1,270,303	()	
Paid-in or capital surplus.....	12,690,006	*273,873	*1,248,011	2,624,497	190,165	1,178,022	*958,585	909,527	5,307,325	*103,520	
Retained earnings, appropriated.....	*8,695	-	-	*2,074	-	-	-	-	6,621	-	
Retained earnings, unappropriated.....	-7,447,781	*-95,604	-1,287,643	-1,057,778	32,097	-603,692	-488,985	-738,527	-3,209,649	*-79,607	
Less: Cost of treasury stock.....	65,551	1,378	-	*42,750	-	-	-	*5,728	17,711	-	
Total receipts.....	73,307,884	*2,133,246	3,784,265	36,840,371	2,837,220	5,194,349	1,921,080	5,950,588	14,846,767	*1,520,063	
Business receipts.....	69,569,652	*2,118,019	*2,213,805	36,137,815	2,744,738	5,026,133	1,846,694	5,685,147	13,819,302	*1,514,102	
Interest.....	713,351	*5,875	*55,350	100,559	8,474	51,224	*49,904	65,537	376,426	*2,895	
Interest on Government obligations:											
State and local.....	*1,171	-	-	217	-	-	-	*395	559	-	
Rents.....	208,793	*1,700	17,004	66,800	*9,138	28,174	*103	34,944	50,931	208	
Royalties.....	129,643	243	-	3,019	-	3,738	-	*107,361	*15,261	-	
Net short-term capital gain reduced by net long-term capital loss.....	*4,243	-	-	-	-	-	2,000	*901	1,342	-	
Net long-term capital gain reduced by net short-term capital loss.....	1,368,360	715	1,336,718	1,022	*1,748	*2,012	8,848	1,951	15,348	-	
Net gain, noncapital assets.....	163,849	55	104,478	28,879	*16,583	*4,531	161	*4,674	4,487	-	
Dividends received from domestic corporations.....	6,753	136	1,373	1,373	*56	19	52	55	5,062	180	
Dividends received from foreign corporations.....	2,882	-	941	941	-	177	-	541	1,023	-	
Other receipts.....	1,139,387	*8,638	*56,774	499,745	56,483	78,341	*13,319	69,080	357,007	*2,677	
Total deductions.....	72,514,900	*2,141,277	2,523,908	36,418,882	2,817,678	5,145,867	2,062,023	6,030,724	15,374,540	*1,543,206	
Cost of sales and operations.....	49,699,927	*1,513,052	*1,506,729	27,881,365	2,304,933	2,970,406	1,316,547	2,860,136	9,346,759	*1,431,254	
Compensation of officers.....	336,192	*8,352	*6,542	76,455	21,836	42,493	*15,532	48,835	116,197	*3,219	
Repairs.....	321,761	*12,418	*14,233	134,068	5,966	22,938	*7,220	78,411	45,507	*565	
Bad debts.....	386,068	*8,006	*102,641	27,267	7,741	18,623	*8,116	34,563	179,131	*155	
Rent paid on business property.....	2,259,431	*53,478	*85,631	751,397	29,896	308,635	75,194	284,751	672,150	*1,885	
Taxes paid.....	1,247,351	*44,251	59,210	514,728	31,001	128,385	38,058	202,495	231,225	*2,622	
Interest paid.....	1,584,569	*50,879	*83,408	467,827	45,279	91,791	*59,820	203,127	582,338	*10,973	
Contributions or gifts.....	19,118	*351	6,850	6,835	*81	*1,626	*24	*486	2,565	-	
Amortization.....	179,542	*6,871	*7,797	18,360	5,765	18,322	*4,577	49,309	88,542	*109	
Depreciation.....	1,358,002	*29,373	*45,741	674,872	33,306	111,223	*31,668	173,658	258,161	*16,381	
Depletion.....	1	-	-	-	-	1	-	-	-	-	
Advertising.....	1,136,886	*35,238	*41,506	327,302	27,759	128,962	*111,028	203,943	261,147	*769	
Pension, profit-sharing, stock bonus, and annuity plans.....	170,765	1,418	*515	119,125	*3,414	18,799	2,671	*11,344	13,481	*744	
Employee benefit programs.....	916,689	*21,844	*23,611	488,646	22,158	57,685	*33,171	106,756	162,817	*2,053	
Net loss, noncapital assets.....	447,106	2,100	*6,841	7,372	*526	26,736	*11,337	34,863	357,531	*157	
Other deductions.....	12,451,471	*353,848	532,853	4,922,968	277,916	1,200,841	348,858	1,737,095	3,076,990	*72,320	
Total receipts less total deductions.....	792,985	*-8,030	1,260,357	421,489	19,542	48,482	-140,942	-80,138	-727,774	*-23,143	
Constructive taxable income from related foreign corporations.....	1,400	-	-	-	-	844	-	202	354	-	
Includable income of controlled foreign corporations.....	675	-	-	-	-	675	-	-	-	-	
Foreign dividend income resulting from foreign taxes deemed paid.....	725	-	-	-	-	169	-	202	354	-	
Net income (less deficit).....	793,213	*-8,030	1,260,357	421,271	19,542	49,327	-140,942	-80,331	-727,979	*-23,143	
Statutory special deduction, total.....	1,503,718	*5,278	*1,365,101	*11,461	*9,138	17,750	*11,797	*26,021	67,172	126	
Net operating loss deduction.....	1,496,514	*2,565	*1,364,988	*10,386	*9,094	17,737	*11,797	*25,982	63,956	-	
Income subject to tax.....	875,892	*24,358	14,259	478,224	*32,795	103,732	*290	299,424	192,809	-	
Income tax, total.....	337,325	*8,305	*33,099	171,873	11,401	35,980	*215	10,808	65,645	-	
Regular tax.....	295,263	*8,282	4,851	162,845	*11,077	35,302	*43	*9,858	63,004	-	
Recapture of investment credit.....	462	-	462	-	-	-	-	-	-	-	
Alternative minimum tax.....	38,888	-	*26,196	*8,323	*313	568	*171	*892	2,425	-	
Environmental tax.....	2,712	23	1,580	704	*12	109	-	*58	216	-	
Foreign tax credit.....	11,022	-	62	9,576	-	219	-	867	*298	-	
U.S. possessions tax credit.....	-	-	-	-	-	-	-	-	-	-	
Orphan drug credit.....	-	-	-	-	-	-	-	-	-	-	
Nonconventional source fuel credit.....	2	-	-	-	-	-	-	-	2	-	
General business credit.....	9,016	392	-	7,067	-	-	-	533	*1,024	-	
Prior year minimum tax credit.....	12,639	1,504	593	6,701	289	-	-	*117	3,435	-	
Total income tax after credits.....	304,646	*8,409	*32,444	148,528	11,112	35,760	*215	9,290	60,888	-	

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS WITH 50 PERCENT OR MORE FOREIGN OWNERSHIP Table 24—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued							
	Finance, insurance, and real estate							
	Total	Banking	Credit agencies other than banks	Security, commodity brokers and services	Insurance	Insurance agents, brokers, and service	Real estate	Holding and other investment companies, except bank holding companies
(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)	
Number of returns, total.....	14,859	132	681	298	191	29	11,005	2,523
Total assets.....	845,300,350	188,574,179	112,911,970	237,102,203	162,065,405	6,801,404	79,508,359	58,338,829
Cash.....	37,644,367	21,483,821	9,959,932	3,951,974	1,220,467	546,044	3,059,904	1,422,226
Notes and accounts receivable.....	203,781,224	99,012,626	55,444,790	31,897,759	3,852,026	1,518,194	3,819,268	8,236,560
Less: Allowance for bad debts.....	4,726,764	2,624,229	1,765,875	21,420	44,047	*11,833	176,156	83,404
Inventories.....	1,997,609	39,502	41,582	50,823	935	887	1,810,502	253,399
Investments in Government obligations.....	57,075,894	21,931,660	543,143	15,731,610	17,810,862	134,376	*27,092	897,149
Tax-exempt securities.....	13,935,731	2,264,673	*5,436	*64,411	11,228,241	260,706	*35,627	*76,436
Other current assets.....	178,826,680	10,217,678	13,778,543	123,356,270	22,431,825	428,950	4,206,903	4,406,511
Loans to stockholders.....	17,386,408	2,782,921	6,363,479	137,461	94	-	439,271	7,683,182
Mortgage and real estate loans.....	42,167,491	12,882,313	12,962,121	4,651	9,601,976	3,493	4,971,681	1,741,057
Other investments.....	223,372,691	11,183,709	14,056,160	57,899,085	89,500,581	3,284,309	22,053,290	25,365,553
Depreciable assets.....	44,256,839	4,025,923	4,016,793	1,037,012	1,243,019	531,595	28,848,338	4,554,160
Less: Accumulated depreciation.....	10,744,877	2,110,532	1,772,615	380,206	165,939	249,512	5,275,702	789,970
Depletable assets.....	629,294	-	-	-	98,054	219	*209,857	321,164
Less: Accumulated depletion.....	154,068	-	-	-	75,955	219	*34,181	43,712
Land.....	13,314,776	280,381	267,377	20,629	41,449	*16,069	11,565,152	1,123,718
Intangible assets (amortizable).....	4,417,198	963,291	1,402,629	808,417	139,507	*184,998	615,753	302,634
Less: Accumulated amortization.....	1,144,697	121,861	386,029	282,235	40,440	*56,273	188,266	69,592
Other assets.....	23,264,351	6,382,102	1,984,704	2,825,963	5,222,749	209,253	3,719,828	2,909,754
Total liabilities.....	845,300,350	188,574,179	112,911,970	237,102,203	162,065,405	6,801,404	79,508,359	58,338,829
Accounts payable.....	31,053,688	5,708,459	1,384,281	19,057,902	1,335,900	1,352,989	1,437,918	805,240
Mortgages, notes, and bonds payable in less than one year.....	105,970,891	10,044,890	52,416,262	20,034,667	475,730	*138,145	9,718,610	13,142,587
Other current liabilities.....	373,819,859	132,378,281	21,330,497	176,531,581	35,278,959	802,971	4,229,938	3,267,633
Loans from stockholders.....	20,416,550	1,452,797	885,671	683,417	*21,178	*102,606	12,479,294	4,791,387
Mortgages, notes, and bonds payable in one year or more.....	88,862,921	13,362,868	25,325,403	4,304,665	5,045,116	358,201	27,564,295	12,902,373
Other liabilities.....	116,200,288	10,392,112	4,017,896	10,539,665	82,548,589	173,543	5,530,306	2,998,177
Net worth.....	108,976,154	15,234,774	7,551,761	5,850,306	37,359,934	3,701,948	18,547,999	20,629,432
Capital stock.....	33,592,430	4,832,542	1,874,718	1,735,357	2,963,013	302,599	5,567,193	6,567,193
Paid-in or capital surplus.....	84,287,571	9,034,053	6,970,505	4,783,356	21,915,555	201,456	21,026,940	20,355,706
Retained earnings, appropriated.....	1,999,303	69,029	3,257	*1,368	1,924,021	-	96	1,532
Retained earnings, unappropriated.....	-10,137,833	1,300,894	-1,296,720	-536,464	10,790,035	3,198,310	-18,427,093	-5,166,796
Less: Cost of treasury stock.....	765,317	*1,744	*33,311	*232,691	416	368,951	*128,206	1,835,848
Total receipts.....	113,743,297	16,758,832	10,138,899	17,111,220	52,117,812	2,689,356	9,646,080	5,281,998
Business receipts.....	58,679,830	2,620,479	1,235,328	5,078,284	40,435,563	2,526,656	4,927,698	2,055,923
Interest.....	41,510,845	11,902,613	7,369,448	10,092,511	8,479,303	91,177	8,679,746	1,935,848
Interest on Government obligations:								
State and local.....	525,096	207,288	4,391	26,421	254,101	21,877	4,331	*6,887
Rents.....	3,347,233	594,358	738,389	50,707	128,785	*4,324	1,515,793	314,878
Royalties.....	65,817	1,865	2,351	18,481	3,046	-	1,528	38,346
Net short-term capital gain reduced by net long-term capital loss.....	636,438	8,834	11,854	144,795	401,006	*5,788	16,670	47,691
Net long-term capital gain reduced by net short-term capital loss.....	1,859,613	34,376	53,979	38,492	1,087,216	*4,264	460,791	200,495
Net gain, noncapital assets.....	507,110	241,039	187,441	1,973	4,074	*683	33,401	38,500
Dividends received from domestic corporations.....	609,004	251,843	35,032	31,614	211,998	*9,344	8,229	60,944
Dividends received from foreign corporations.....	188,932	310	20,171	6,229	3,977	21	*33,684	124,541
Other receipts.....	5,613,479	895,628	480,717	1,621,713	1,128,745	*25,222	1,004,208	457,246
Total deductions.....	112,993,226	16,304,595	10,253,510	16,516,689	49,380,257	2,220,829	12,588,744	5,728,603
Cost of sales and operations.....	24,388,255	162,832	196,675	1,998,172	18,822,076	*28,746	2,067,623	1,114,130
Compensation of officers.....	1,951,485	548,855	131,355	690,120	154,720	131,178	202,548	92,708
Repairs.....	349,938	107,637	28,940	16,739	8,463	3,597	169,480	15,083
Bad debts.....	3,480,623	1,864,948	1,014,679	84,722	69,739	4,298	336,472	105,765
Rent paid on business property.....	1,682,286	491,024	169,135	241,234	454,021	99,251	170,066	57,555
Taxes paid.....	2,266,443	313,538	138,224	192,265	795,830	109,216	586,429	130,942
Interest paid.....	27,302,659	6,335,188	5,876,236	9,081,324	877,057	57,282	3,222,575	1,852,997
Contributions or gifts.....	35,524	12,128	2,841	5,018	6,431	1,905	4,794	2,408
Amortization.....	619,380	101,043	142,684	60,833	135,926	10,412	103,071	65,612
Depreciation.....	3,412,769	1,065,000	778,448	143,336	183,029	54,452	987,308	181,196
Depletion.....	34,585	472	*6	4	-	-	*5,054	*29,029
Advertising.....	308,670	86,024	30,655	21,486	43,851	28,428	76,727	23,499
Pension, profit-sharing, stock bonus, and annuity plans.....	374,878	126,242	12,702	45,899	108,927	57,496	14,196	9,213
Employee benefit programs.....	833,355	268,780	69,887	97,273	213,904	90,257	60,705	32,750
Net loss, noncapital assets.....	1,033,166	362,391	36,242	18,380	5,086	*3,161	507,280	100,624
Other deductions.....	44,919,430	4,438,493	1,625,001	3,820,083	27,501,196	1,545,150	4,074,417	1,915,081
Total receipts less total deductions.....	750,071	454,237	-114,610	594,531	2,737,556	468,527	-2,942,665	-447,505
Constructive taxable income from related foreign corporations.....	144,005	682	*10,951	19,366	3,103	604	*402	108,877
Includable income of controlled foreign corporations.....	72,509	382	*4,308	15,510	2,681	603	*402	48,623
Foreign dividend income resulting from foreign taxes deemed paid.....	71,496	300	6,643	3,876	421	1	-	60,254
Net income (less deficit).....	368,979	247,631	-108,050	587,496	2,486,557	447,254	-2,946,593	-345,315
Statutory special deduction, total.....	1,781,644	212,335	153,494	144,880	735,937	*7,352	238,370	289,275
Net operating loss deduction.....	1,421,714	203,768	116,434	122,564	619,268	811	207,485	151,388
Income subject to tax.....	5,129,673	618,212	295,258	643,351	2,216,558	468,982	231,659	655,653
Income tax, total.....	1,857,178	252,625	109,132	224,932	798,820	160,047	82,048	229,576
Regular tax.....	1,739,463	210,164	100,223	217,528	757,630	159,454	74,468	219,996
Recapture of investment credit.....	220	3	-	-	-	-	-	217
Alternative minimum tax.....	108,470	41,140	8,359	6,510	37,332	19	6,762	8,348
Environmental tax.....	7,792	1,283	549	871	3,481	*574	179	855
Foreign tax credit.....	102,228	1,628	4,860	22,982	7,060	1	*38	65,659
U.S. possessions tax credit.....	7,208	7,191	-	-	-	-	17	-
Orphan drug credit.....	-	-	-	-	-	-	-	-
Nonconventional source fuel credit.....	*461	388	-	2	-	-	-	*71
General business credit.....	2,354	483	680	*218	197	306	*307	*163
Prior year minimum tax credit.....	25,147	8,394	11,050	*1,784	1,106	283	*886	*1,844
Total income tax after credits.....	1,719,781	234,541	92,542	199,946	790,456	159,456	81,000	161,839

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS OF ACTIVE CORPORATIONS WITH 50 PERCENT OR MORE FOREIGN OWNERSHIP Table 24—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major Industry—Continued							Nature of business not allocable
	Services							
	Total	Hotels and other lodging places	Personal services	Business services	Auto repair; miscellaneous repair services	Amusement and recreation services	Other services	
	(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)
Number of returns, total.....	8,474	489	*153	2,498	148	1,029	2,158	*8
Total assets.....	102,156,384	21,805,435	*1,012,271	36,270,989	1,600,742	33,723,730	7,743,218	*65,991
Cash.....	3,586,859	836,428	*43,715	1,185,080	136,784	1,000,421	584,431	*12,088
Notes and accounts receivable.....	18,461,420	1,320,379	*115,330	7,503,858	408,949	7,182,447	1,930,458	*36
Less: Allowance for bad debts.....	625,356	59,033	*5,987	205,273	5,108	224,649	125,307	-
Inventories.....	3,821,116	81,504	*32,704	807,888	134,871	2,597,939	186,228	-
Investments in Government obligations.....	*272,002	-	-	*271,696	-	-	*306	-
Tax-exempt securities.....	3	-	-	3	-	-	-	-
Other current assets.....	6,567,915	1,176,284	*21,895	2,544,163	88,069	2,199,663	539,841	*8,287
Loans to stockholders.....	149,308	*10,429	75	52,815	*457	20,818	*84,711	-
Mortgage and real estate loans.....	658,040	*384,794	-	*8,836	*11,241	*288,917	*5,152	-
Other investments.....	35,236,513	7,050,074	*20,002	13,492,503	*305,193	13,182,152	1,168,589	*2,838
Depreciable assets.....	25,788,306	8,838,843	*445,075	8,117,816	408,377	5,280,108	2,718,487	*43,295
Less: Accumulated depreciation.....	7,918,490	1,629,327	*102,185	2,578,280	131,843	2,469,793	1,005,063	*551
Depletable assets.....	*3,052	-	-	200	-	-	*2,852	-
Less: Accumulated depletion.....	*2,281	-	-	108	-	-	*2,153	-
Land.....	3,192,277	1,867,602	*106,018	251,819	135,424	642,803	188,811	-
Intangible assets (amortizable).....	9,318,872	672,994	*227,754	3,981,683	*86,342	3,016,723	1,333,375	-
Less: Accumulated amortization.....	2,657,407	138,642	*18,151	1,141,326	*31,373	1,166,088	161,826	-
Other assets.....	6,301,318	1,613,307	*128,025	1,978,035	55,358	2,212,287	318,328	-
Total liabilities.....	102,156,384	21,805,435	*1,012,271	36,270,989	1,600,742	33,723,730	7,743,218	*65,991
Accounts payable.....	11,994,403	1,128,718	*43,456	4,971,193	200,294	4,648,972	1,003,771	-
Mortgages, notes, and bonds payable in less than one year.....	7,781,125	2,055,671	*5,454	3,604,789	211,990	1,053,515	849,706	-
Other current liabilities.....	9,703,886	890,167	*148,843	4,702,457	227,137	2,776,990	960,272	*49,347
Loans from stockholders.....	4,188,322	1,516,038	*136,472	1,509,010	*9,630	544,044	473,129	-
Mortgages, notes, and bonds payable in one year or more.....	25,189,797	8,456,294	*305,325	7,101,971	403,605	7,437,341	1,485,261	*19,273
Other liabilities.....	6,759,023	1,744,764	*45,434	2,004,195	71,937	2,096,420	796,272	*3,015
Net worth.....	36,539,847	6,015,782	*329,288	12,377,374	476,149	15,166,448	2,174,808	*5,643
Capital stock.....	12,336,951	4,249,544	*63,466	3,032,800	73,621	3,903,381	1,014,139	*2
Paid-in or capital surplus.....	40,163,304	6,334,040	*210,299	13,880,648	1,215,465	15,951,303	2,471,549	-
Retained earnings, appropriated.....	30,889	-	-	*14,848	*15,060	40	*1,041	-
Retained earnings, unappropriated.....	-15,638,196	-4,563,613	*55,522	-4,538,936	-827,922	-4,472,738	-1,290,510	*5,645
Less: Cost of treasury stock.....	353,200	*4,190	-	111,986	*75	215,538	*21,411	-
Total receipts.....	50,496,729	4,833,540	*674,578	23,855,999	1,072,331	12,549,764	7,510,517	*424
Business receipts.....	44,261,650	3,625,342	*600,790	21,844,063	942,231	10,593,826	6,655,398	-
Interest.....	2,047,831	416,742	*31,621	707,483	30,800	751,392	109,791	*296
Interest on Government obligations:								
State and local.....	1,881	-	-	*1,557	-	-	323	-
Rents.....	741,386	77,781	*2,445	457,489	*60,580	95,445	47,646	-
Royalties.....	803,009	209,843	3,174	94,312	4,465	456,473	*34,742	-
Net short-term capital gain reduced by net long-term capital loss.....	2,790	508	-	1,987	(1)	*253	*42	-
Net long-term capital gain reduced by net short-term capital loss.....	206,238	65,458	*21,620	11,307	1,340	56,489	50,025	-
Net gain, noncapital assets.....	219,516	910	*560	153,850	*12,641	32,426	19,129	-
Dividends received from domestic corporations.....	3,045	27	-	1,282	45	1,854	*38	-
Dividends received from foreign corporations.....	178,048	74,822	-	*54,423	23	*45,112	*3,665	-
Other receipts.....	2,031,338	362,107	*14,368	528,245	20,207	518,694	589,717	*128
Total deductions.....	52,369,893	5,454,299	*650,678	23,989,477	1,106,997	13,664,442	7,524,000	*5,161
Cost of sales and operations.....	20,727,619	852,496	*132,753	11,406,225	459,834	5,188,824	2,667,487	-
Compensation of officers.....	851,575	31,066	*18,911	514,468	8,752	104,961	173,416	*159
Repairs.....	303,203	68,001	*10,225	91,532	6,101	79,090	48,253	*331
Bad debts.....	743,954	40,809	*3,906	121,341	15,088	470,049	92,762	-
Rent paid on business property.....	2,115,597	249,995	*21,691	1,229,139	92,078	315,838	207,055	*248
Taxes paid.....	1,391,813	259,539	*26,010	665,685	25,579	211,887	203,114	*38
Interest paid.....	3,534,293	842,038	*62,268	1,069,175	76,643	1,267,400	216,771	*486
Contributions or gifts.....	4,370	372	*173	2,980	*11	263	570	-
Amortization.....	1,009,709	30,252	*9,536	216,029	10,547	708,848	34,497	-
Depreciation.....	3,080,104	425,422	*30,491	1,090,574	84,504	1,234,008	215,104	*551
Depletion.....	*52	-	-	48	-	-	*4	-
Advertising.....	1,114,324	184,509	*7,385	212,920	22,482	631,375	55,653	*251
Pension, profit-sharing, stock bonus, and annuity plans.....	185,985	7,212	*4,431	121,742	*2,549	17,228	32,823	-
Employee benefit programs.....	846,485	101,357	*15,034	441,817	17,710	93,043	177,524	-
Net loss, noncapital assets.....	168,416	45,892	*206	56,600	*9,208	15,106	41,404	-
Other deductions.....	16,292,395	2,315,338	*307,657	6,729,202	275,913	3,326,723	3,337,562	*3,099
Total receipts less total deductions.....	-1,873,165	-620,759	*23,900	-113,478	-34,666	-1,114,679	-13,483	*-4,738
Constructive taxable income from related foreign corporations.....	111,955	*24,550	-	36,151	-	*49,379	1,875	-
Includable income of controlled foreign corporations.....	59,972	*5,801	-	*24,278	-	28,058	1,834	-
Foreign dividend income resulting from foreign taxes deemed paid.....	51,983	18,749	-	11,873	-	*21,321	40	-
Net income (less deficit).....	-1,763,091	-596,209	*23,900	-78,884	-34,666	-1,065,299	-11,931	*4,738
Statutory special deduction, total.....	471,229	27,537	990	226,801	*17,096	101,392	97,413	-
Net operating loss deduction.....	469,767	*27,518	990	225,776	*17,073	101,000	97,409	-
Income subject to tax.....	967,999	174,038	*37,966	434,781	*14,631	56,708	249,875	-
Income tax, total.....	350,525	60,660	*12,598	157,853	*5,331	23,349	90,734	-

Corporation Returns/1992

RETURNS WITH NET INCOME WITH 50 PERCENT OR MORE FOREIGN OWNERSHIP

Table 25—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry

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

Item	Major industry						
	All Industries	Agriculture, forestry, and fishing	Mining				Nonmetallic minerals, except fuels
			Total	Metal mining	Coal mining	Oil and gas extraction	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Number of returns, total.....	19,304	850	208	46	***	147	***
Total assets.....	1,207,574,038	1,279,741	35,329,933	14,760,068	***	9,374,496	***
Cash.....	40,760,875	149,941	1,174,195	347,232	***	515,856	***
Notes and accounts receivable.....	255,086,593	118,437	4,130,317	1,363,551	***	1,317,738	***
Less: Allowance for bad debts.....	5,713,449	1,651	27,767	6,279	***	*12,955	***
Inventories.....	62,321,940	173,033	1,179,829	563,556	***	253,594	***
Investments in Government obligations.....	47,917,264	-	-	-	***	-	***
Tax-exempt securities.....	12,420,508	-	1,124	-	***	1,124	***
Other current assets.....	172,052,072	29,444	2,422,496	879,445	***	1,036,777	***
Loans to stockholders.....	13,859,665	*4,000	*22,485	21,242	***	*1,195	***
Mortgage and real estate loans.....	26,896,599	1,233	102	-	***	102	***
Other investments.....	320,955,500	98,820	11,913,444	6,326,388	***	1,378,674	***
Depreciable assets.....	234,195,169	536,396	12,801,463	4,209,623	***	4,404,370	***
Less: Accumulated depreciation.....	100,015,261	285,899	6,525,081	1,294,079	***	3,063,964	***
Depletable assets.....	16,645,936	-	7,202,608	*1,818,104	***	4,577,191	***
Less: Accumulated depletion.....	6,922,023	-	2,360,028	*472,129	***	1,782,448	***
Land.....	18,625,211	396,891	1,046,067	272,879	***	*153,321	***
Intangible assets (amortizable).....	80,998,173	47,045	1,942,947	*402,837	***	765,125	***
Less: Accumulated amortization.....	12,782,441	*18,431	903,003	*136,695	***	*442,656	***
Other assets.....	50,271,706	30,483	1,308,735	464,393	***	251,452	***
Total liabilities.....	1,207,574,038	1,279,741	35,329,933	14,760,068	***	9,374,496	***
Accounts payable.....	85,551,662	88,253	2,541,844	1,455,806	***	575,306	***
Mortgages, notes, and bonds payable in less than one year.....	149,576,985	92,630	2,481,408	908,554	***	246,230	***
Other current liabilities.....	320,207,317	35,452	2,809,381	892,618	***	1,123,002	***
Loans from stockholders.....	20,580,822	*81,964	752,225	*425,439	***	*230,641	***
Mortgages, notes, and bonds payable in one year or more.....	177,218,664	325,303	4,163,325	1,168,039	***	962,365	***
Other liabilities.....	158,829,751	*78,606	4,685,926	2,200,777	***	267,040	***
Net worth.....	295,808,637	579,333	17,895,824	7,708,836	***	5,969,911	***
Capital stock.....	47,340,961	178,695	1,395,684	222,157	***	683,187	***
Paid-in or capital surplus.....	203,770,979	408,009	19,468,072	6,255,434	***	8,948,746	***
Retained earnings, appropriated.....	2,173,114	*2,571	14,764	14,764	***	-	***
Retained earnings, unappropriated.....	43,414,005	-9,943	-2,919,547	1,217,601	***	-3,661,450	***
Less: Cost of treasury stock.....	1,090,423	-	*83,129	1,119	***	*573	***
Total receipts.....	727,452,418	854,647	13,156,880	3,871,253	***	4,636,452	***
Business receipts.....	658,184,736	768,886	11,765,177	3,571,185	***	4,060,162	***
Interest.....	39,969,718	22,495	494,787	115,854	***	193,064	***
Interest on Government obligations:							
State and local.....	472,274	-	57	57	***	-	***
Rents.....	4,521,034	6,355	30,112	*3,676	***	19,233	***
Royalties.....	2,048,565	38	45,826	*27,454	***	3,040	***
Net short-term capital gain reduced by net long-term capital loss.....	715,955	-	*655	-	***	*48	***
Net long-term capital gain reduced by net short-term capital loss.....	4,219,406	19,578	88,749	*7,148	***	*65,958	***
Net gain, noncapital assets.....	1,760,543	*4,274	85,599	*19,715	***	59,147	***
Dividends received from domestic corporations.....	1,044,309	*3,140	1,218	782	***	263	***
Dividends received from foreign corporations.....	1,908,315	6,389	*20,780	*9,304	***	7,580	***
Other receipts.....	12,607,562	23,491	623,922	116,100	***	227,958	***
Total deductions.....	695,967,366	804,309	11,566,302	3,518,794	***	3,665,902	***
Cost of sales and operations.....	465,282,438	483,562	6,337,245	2,098,425	***	1,388,731	***
Compensation of officers.....	4,425,662	11,743	38,157	*10,281	***	14,853	***
Repairs.....	3,374,322	3,655	128,305	*17,455	***	9,979	***
Bad debts.....	2,933,168	*1,915	13,632	2,060	***	*5,768	***
Rent paid on business property.....	8,121,934	13,742	107,661	*13,780	***	56,800	***
Taxes paid.....	12,930,746	24,792	400,450	35,812	***	108,449	***
Interest paid.....	36,521,553	20,112	591,472	274,297	***	80,286	***
Contributions or gifts.....	336,833	*536	6,398	*3,721	***	*1,036	***
Amortization.....	2,838,433	*17,896	101,221	61,783	***	26,942	***
Depreciation.....	18,003,877	23,764	915,785	335,147	***	346,940	***
Depletion.....	1,241,820	-	603,140	288,943	***	139,184	***
Advertising.....	12,011,626	*7,592	22,043	3,460	***	*12,918	***
Pension, profit-sharing, stock bonus, and annuity plans.....	2,202,140	*2,328	52,355	*4,459	***	26,885	***
Employee benefit programs.....	7,721,675	*10,239	181,235	*36,173	***	86,790	***
Net loss, noncapital assets.....	582,948	*1,310	33,059	11,752	***	21,074	***
Other deductions.....	117,438,192	181,125	2,036,146	321,247	***	1,339,168	***
Total receipts less total deductions.....	31,485,052	50,338	1,588,578	352,459	***	970,550	***
Constructive taxable income from related foreign corporations.....	1,034,869	143	22,168	10,177	***	11,991	***
Includable income of controlled foreign corporations.....	185,155	-	9,178	8,964	***	194	***
Foreign dividend income resulting from foreign taxes deemed paid.....	849,713	143	12,990	1,193	***	11,797	***
Net income.....	32,047,646	50,481	1,610,690	362,580	***	982,541	***
Statutory special deduction, total.....	8,047,492	24,046	312,381	46,600	***	213,868	***
Net operating loss deduction.....	7,136,023	15,958	302,797	37,285	***	213,834	***
Income subject to tax.....	24,091,638	26,533	1,298,308	*315,980	***	768,573	***
Income tax, total.....	8,737,389	9,543	509,676	140,517	***	273,511	***
Regular tax.....	8,130,286	8,713	441,755	*108,302	***	280,779	***
Recapture of investment credit.....	1,061	-	-	-	***	-	***
Alternative minimum tax.....	566,833	*799	66,601	31,536	***	11,631	***
Environmental tax.....	36,880	30	2,350	679	***	1,101	***
Foreign tax credit.....	1,209,171	-	*296,151	58,884	***	*234,108	***
U.S. possessions tax credit.....	166,660	48	-	-	***	-	***
Orphan drug credit.....	15,175	-	-	-	***	-	***
Nonconventional source fuel credit.....	*55,256	-	-	-	***	-	***
General business credit.....	211,819	*95	166	72	***	-	***
Prior year minimum tax credit.....	135,805	-	*8,870	2,038	***	*3,553	***
Total income tax after credits.....	6,943,502	9,400	204,489	79,524	***	35,850	***

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME WITH 50 PERCENT OR MORE FOREIGN OWNERSHIP

Table 25—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued								
	Construction				Manufacturing				
	Total	General building contractors and operative builders	Heavy construction contractors	Special trade contractors	Total	Food and kindred products	Tobacco manufactures	Textile mill products	Apparel and other textile products
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Number of returns, total.....	435	337	18	*80	2,850	157	***	*58	89
Total assets.....	2,985,392	1,480,218	939,072	*566,102	307,525,946	41,859,611	***	8,285,519	901,862
Cash.....	265,407	142,322	94,181	*28,904	7,736,806	784,008	***	174,713	81,002
Notes and accounts receivable.....	948,595	515,711	288,079	*143,908	57,927,393	9,057,095	***	854,737	241,969
Less: Allowance for bad debts.....	*11,262	-	-	*4,642	1,524,368	83,923	***	21,851	*5,091
Inventories.....	135,739	*62,365	*34,751	*38,623	34,020,513	3,455,109	***	734,563	281,164
Investments in Government obligations.....	31,378	-	-	*31,378	220,705	*31,071	***	*185	-
Tax-exempt securities.....	14,818	-	14,818	-	*38,687	-	***	92	5,069
Other current assets.....	216,319	74,055	112,269	*29,995	25,781,655	761,750	***	86,136	28,094
Loans to stockholders.....	*20,127	-	-	*20,127	803,162	*90,816	***	20,710	*57
Mortgage and real estate loans.....	3,206	-	3,206	-	22,879	*4,712	***	4,000	-
Other investments.....	559,887	480,354	*78,282	*3,250	114,526,582	10,596,177	***	1,103,403	*111,550
Depreciable assets.....	920,565	284,710	368,257	*287,598	147,566,419	9,921,420	***	3,490,763	308,677
Less: Accumulated depreciation.....	435,105	*132,747	168,412	*133,945	66,865,155	3,184,128	***	1,571,318	181,487
Depletable assets.....	14,888	-	14,888	-	9,011,813	370	***	22,877	-
Less: Accumulated depletion.....	3,943	-	3,943	-	4,426,349	-	***	1,707	-
Land.....	129,214	51,910	*25,569	*48,735	9,960,128	548,894	***	63,315	*5,904
Intangible assets (amortizable).....	110,148	2,325	*11,176	*96,647	46,037,164	8,723,998	***	708,294	*5,549
Less: Accumulated amortization.....	25,342	975	*5,284	*19,082	8,990,799	615,734	***	*148,890	*687
Other assets.....	93,773	*20,190	45,619	*27,964	25,478,709	1,787,374	***	2,785,496	*21,892
Total liabilities.....	2,985,392	1,480,218	939,072	*566,102	307,525,946	41,859,611	***	8,285,519	901,862
Accounts payable.....	661,978	391,809	185,525	*84,642	32,394,263	5,655,569	***	394,270	95,304
Mortgages, notes, and bonds payable in less than one year.....	209,520	*129,770	*32,729	*47,021	32,050,447	1,814,116	***	798,760	*98,778
Other current liabilities.....	407,832	141,278	225,249	*41,305	27,915,509	2,587,984	***	405,843	86,948
Loans from stockholders.....	*141,321	*54,195	38,285	*48,841	9,436,157	1,310,459	***	*27,162	*42,320
Mortgages, notes, and bonds payable in one year or more.....	658,627	*390,374	*173,371	*94,882	99,283,766	11,825,432	***	2,157,897	159,589
Other liabilities.....	229,218	*188,667	*23,787	*16,784	42,161,149	1,240,823	***	2,739,007	*33,566
Net worth.....	676,897	184,125	260,126	*232,647	154,284,654	17,425,229	***	1,762,579	387,346
Capital stock.....	231,834	*130,814	55,419	*45,601	17,145,729	696,323	***	214,649	25,520
Paid-in or capital surplus.....	348,137	*62,381	*140,608	*145,150	113,113,205	11,031,745	***	1,220,036	*209,169
Retained earnings, appropriated.....	-	-	-	-	166,219	31,022	***	-	-
Retained earnings, unappropriated.....	96,928	-9,071	64,101	*41,897	24,022,032	5,666,288	***	328,175	155,583
Less: Cost of treasury stock.....	-	-	-	-	182,531	*150	***	*281	2,926
Total receipts.....	5,245,736	2,367,428	1,920,604	*957,704	301,190,339	31,137,854	***	6,008,594	1,488,237
Business receipts.....	4,995,040	2,221,764	1,880,156	*913,121	285,166,859	28,359,791	***	5,749,868	1,462,366
Interest.....	57,358	31,880	12,087	*13,611	5,215,497	1,024,411	***	58,116	8,072
Interest on Government obligations:									
State and local.....	*1,367	199	*1,168	-	27,145	*937	***	12	15
Rents.....	38,949	6,566	6,031	*26,351	1,418,892	112,109	***	*19,882	1,083
Royalties.....	*127	-	78	*49	1,708,522	406,549	***	39,019	125
Net short-term capital gain reduced by net long-term capital loss.....	1,994	27	1,900	67	100,188	*966	***	-	-
Net long-term capital gain reduced by net short-term capital loss.....	*31,714	30,575	*1,139	-	955,584	363,980	***	*301	71
Net gain, noncapital assets.....	23,713	*19,855	*3,149	*709	429,253	39,855	***	13,285	*2,409
Dividends received from domestic corporations.....	22	-	15	7	443,948	285,353	***	368	14
Dividends received from foreign corporations.....	*561	-	-	*561	1,049,215	*189,535	***	42,018	-
Other receipts.....	94,892	56,783	34,900	*3,229	4,675,235	354,367	***	85,695	16,061
Total deductions.....	5,082,814	2,314,287	1,852,007	*916,520	287,723,848	29,839,019	***	5,525,368	1,403,761
Cost of sales and operations.....	4,175,877	*2,030,111	1,587,479	*558,287	186,180,669	19,048,285	***	3,639,085	1,076,588
Compensation of officers.....	66,080	*19,674	27,084	*19,323	1,551,384	155,911	***	39,841	15,530
Repairs.....	8,855	*3,851	*738	*2,266	2,360,673	219,574	***	15,149	*3,484
Bad debts.....	5,767	*2,204	*1,320	*2,243	679,795	35,471	***	15,799	*5,531
Rent paid on business property.....	37,325	14,384	10,873	*12,068	3,385,950	379,096	***	39,757	11,258
Taxes paid.....	51,557	18,102	16,940	16,515	7,482,066	643,012	***	143,848	25,147
Interest paid.....	86,491	43,332	*19,503	*23,657	12,036,853	1,895,095	***	208,887	26,085
Contributions or gifts.....	1,902	*581	*223	*1,098	222,089	24,089	***	6,102	*502
Amortization.....	6,570	661	*2,143	*3,786	1,357,003	125,581	***	33,574	*902
Depreciation.....	90,763	25,059	38,744	*26,960	9,204,998	779,926	***	299,275	22,942
Depletion.....	1,059	-	1,059	-	583,536	-	***	1,924	-
Advertising.....	12,467	*3,105	*2,028	*7,334	7,259,337	1,201,707	***	46,759	11,343
Pension, profit-sharing, stock bonus, and annuity plans.....	11,989	*6,898	*3,949	1,342	1,323,705	97,442	***	35,962	*1,926
Employee benefit programs.....	38,840	*10,168	*9,402	*19,070	4,920,510	541,738	***	97,287	*16,346
Net loss, noncapital assets.....	*3,610	15	*22	*3,573	207,491	6,728	***	*531	181
Other deductions.....	485,881	136,342	130,519	*219,019	48,987,789	4,685,355	***	901,167	186,016
Total receipts less total deductions.....	162,922	53,141	68,597	*41,184	13,466,491	1,298,835	***	483,226	84,476
Constructive taxable income from related foreign corporations.....	-	-	-	-	503,345	86,791	***	20,058	-
Includable income of controlled foreign corporations.....	-	-	-	-	103,381	9,484	***	-	-</

Corporation Returns/1992

RETURNS WITH NET INCOME WITH 50 PERCENT OR MORE FOREIGN OWNERSHIP

Table 25—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major Industry—Continued								
	Manufacturing—Continued								
	Lumber and wood products	Furniture and fixtures	Paper and allied products	Printing and publishing	Chemicals and allied products	Petroleum (including integrated) and coal products	Rubber and miscellaneous plastics products	Leather and leather products	Stone, clay, and glass products
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
Number of returns, total.....	408	*44	83	297	205	21	129	***	57
Total assets.....	589,335	*1,835,716	3,034,676	47,490,447	78,778,232	107,242,363	2,376,705	***	5,881,648
Cash.....	*18,622	*47,838	118,410	699,069	1,809,710	261,657	115,526	***	119,069
Notes and accounts receivable.....	111,237	*244,633	339,427	3,472,807	12,146,539	5,805,597	430,392	***	685,129
Less: Allowance for bad debts.....	*2,129	*4,451	13,321	322,612	415,217	*87,332	10,334	***	30,744
Inventories.....	*151,724	*225,705	354,928	2,148,980	8,367,707	3,065,547	294,300	***	685,703
Investments in Government obligations.....	-	-	-	*58,755	29,462	25	-	***	-
Tax-exempt securities.....	-	-	-	-	50	-	-	***	-
Other current assets.....	*12,849	*28,543	223,518	1,608,357	5,322,032	12,193,928	167,311	***	227,913
Loans to stockholders.....	-	6,507	500	8,555	*328,786	-	*91	***	*763
Mortgage and real estate loans.....	-	-	-	26	9,653	158	-	***	333
Other investments.....	*20,983	*706,819	580,839	30,157,638	13,762,670	*46,237,542	423,676	***	778,388
Depreciable assets.....	*391,011	*558,875	2,263,051	4,567,440	34,295,886	51,495,547	1,073,003	***	3,736,356
Less: Accumulated depreciation.....	*178,434	*172,821	895,297	1,992,039	14,191,127	24,936,235	421,140	***	1,634,504
Depletable assets.....	8,321	-	42,386	-	57,683	8,413,234	-	***	419,978
Less: Accumulated depletion.....	-	-	3,153	-	34,779	4,312,514	-	***	*33,824
Land.....	*20,828	*12,667	25,746	148,508	1,515,075	*1,189,148	29,270	***	388,555
Intangible assets (amortizable).....	*11,506	125,557	61,403	6,433,653	10,136,221	*6,652,209	186,901	***	338,428
Less: Accumulated amortization.....	*1,610	20,893	28,839	1,191,543	1,939,007	2,946,109	28,060	***	22,238
Other assets.....	*24,428	*78,506	65,077	1,694,872	7,578,789	4,209,980	115,588	***	262,345
Total liabilities.....	589,335	*1,835,716	3,034,676	47,490,447	78,778,232	107,242,363	2,376,705	***	5,881,648
Accounts payable.....	91,432	*199,793	249,566	1,357,819	4,647,748	5,379,755	221,117	***	323,233
Mortgages, notes, and bonds payable in less than one year.....	*87,327	*59,202	129,439	2,776,444	6,387,990	*11,655,751	253,996	***	280,788
Other current liabilities.....	*41,753	*90,904	148,146	2,046,461	7,695,296	*2,743,292	183,610	***	339,914
Loans from stockholders.....	*10,493	-	*231,882	500,459	3,098,391	*932,715	*125,247	***	*127,935
Mortgages, notes, and bonds payable in one year or more.....	*133,968	*421,798	1,190,379	20,702,807	18,694,649	18,563,490	440,944	***	1,893,458
Other liabilities.....	*17,524	*270,818	462,955	2,622,192	8,944,851	11,997,422	116,464	***	450,591
Net worth.....	226,839	*793,199	822,309	17,484,294	31,109,308	55,969,938	1,035,327	***	2,465,728
Capital stock.....	121,582	*209,120	916,668	4,833,887	3,304,783	76,938	243,777	***	443,992
Paid-in or capital surplus.....	*118,255	597,221	*772,425	15,388,931	21,513,350	37,358,617	623,676	***	1,998,088
Retained earnings, appropriated.....	-	-	1,232	-	8,213	*88	-	***	3,896
Retained earnings, unappropriated.....	-12,998	*13,142	-1,065,017	-2,710,867	6,248,554	18,534,937	167,788	***	26,117
Less: Cost of treasury stock.....	-	-	*1,765	8,889	49,592	554	-	***	*6,345
Total receipts.....	1,393,517	*1,901,783	3,460,697	16,106,158	70,636,366	59,140,519	2,479,132	***	4,419,481
Business receipts.....	1,370,117	*1,669,690	3,384,570	14,356,393	67,393,283	55,960,767	2,418,144	***	4,248,913
Interest.....	*7,649	*21,568	14,522	938,824	795,145	1,153,043	21,229	***	55,350
Interest on Government obligations:									
State and local.....	105	-	*153	*133	14,197	2,974	322	***	71
Rents.....	*1,178	4,532	*4,213	149,693	152,162	*211,862	*919	***	4,200
Royalties.....	-	20,569	1,575	144,627	301,816	369,257	1,944	***	*959
Net short-term capital gain reduced by net long-term capital loss.....	-	-	-	26,749	13,623	*7,637	*2,793	***	-
Net long-term capital gain reduced by net short-term capital loss.....	-	60,791	3	71,627	181,560	*15,824	302	***	15,956
Net gain, noncapital assets.....	2,410	391	*14,813	8,487	74,681	*195,519	*656	***	4,533
Dividends received from domestic corporations.....	-	1	*2,358	8,366	7,491	120,973	516	***	101
Dividends received from foreign corporations.....	8,397	104,423	*462	14,195	445,348	41,441	*157	***	29
Other receipts.....	*3,662	*19,818	38,028	386,064	1,257,059	1,061,222	31,151	***	89,370
Total deductions.....	1,342,381	*1,696,893	3,258,488	15,582,892	68,414,151	57,457,415	2,316,802	***	4,237,593
Cost of sales and operations.....	1,074,967	*1,231,493	2,420,395	7,732,967	35,220,369	40,254,493	1,729,438	***	2,877,713
Compensation of officers.....	*22,777	*18,977	31,944	128,126	352,037	*42,657	37,934	***	31,805
Repairs.....	*3,809	*2,018	4,717	66,098	416,118	*1,134,993	4,224	***	39,896
Bad debts.....	*2,214	*6,690	6,589	99,001	168,754	*124,717	5,147	***	13,100
Rent paid on business property.....	*4,775	*24,547	11,968	272,579	860,330	926,194	9,460	***	30,193
Taxes paid.....	20,455	*26,587	65,417	318,581	1,310,819	2,978,396	53,634	***	104,676
Interest paid.....	*23,813	*49,831	119,789	1,668,453	2,206,721	2,368,297	58,375	***	187,369
Contributions or gifts.....	*138	*214	1,312	3,134	111,114	36,238	860	***	705
Amortization.....	*739	*9,741	7,372	269,694	367,936	*201,625	7,933	***	11,887
Depreciation.....	*33,726	*52,881	139,120	383,815	2,662,468	1,862,972	82,423	***	225,547
Depletion.....	-	-	851	-	78,848	*374,954	-	***	32,970
Advertising.....	*9,909	*16,637	32,325	658,534	3,164,068	*204,127	16,917	***	16,838
Pension, profit-sharing, stock bonus, and annuity plans.....	*2,625	*1,831	16,357	79,825	365,894	*176,063	8,431	***	17,207
Employee benefit programs.....	*15,799	*20,465	59,122	307,321	1,576,691	*205,253	29,996	***	113,758
Net loss, noncapital assets.....	81	848	*262	21,450	21,986	64,819	1,424	***	5,227
Other deductions.....	126,554	*233,936	340,940	3,573,334	17,529,919	6,501,621	270,606	***	546,932
Total receipts less total deductions.....	51,156	*204,890	202,209	543,266	4,222,215	1,683,104	162,331	***	181,887
Constructive taxable income from related foreign corporations.....	1,145	57,170	135	2,513	196,939	38,086	-	***	-
Includable income of controlled foreign corporations.....									

Corporation Returns/1992

RETURNS WITH NET INCOME WITH 50 PERCENT OR MORE FOREIGN OWNERSHIP

Table 25—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued							
	Manufacturing—Continued							
	Primary metal industries	Fabricated metal products	Machinery, except electrical	Electrical and electronic equipment	Motor vehicles and equipment	Transportation equipment, except motor vehicles	Instruments and related products	Miscellaneous manufacturing and manufacturing not allocable
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
Number of returns, total.....	32	239	497	193	48	43	214	53
Total assets.....	14,907,808	14,105,283	7,905,724	21,342,588	5,249,986	2,323,998	15,388,443	4,523,297
Cash.....	339,161	502,226	520,568	504,571	466,730	340,992	647,554	132,253
Notes and accounts receivable.....	3,026,309	3,208,893	2,209,559	6,445,170	884,111	462,256	3,448,447	1,659,112
Less: Allowance for bad debts.....	47,320	77,068	46,249	182,285	15,735	12,320	104,040	37,952
Inventories.....	1,604,650	1,448,908	1,772,461	3,458,531	888,688	385,676	2,512,273	702,987
Investments in Government obligations.....	-	*190	*22,885	*4,621	-	72,525	585	-
Tax-exempt securities.....	-	-	*33,451	25	-	-	-	-
Other current assets.....	356,684	607,596	289,148	1,115,816	404,429	341,701	1,454,971	171,968
Loans to stockholders.....	7,988	7,042	*109,744	*41,159	*3,245	104,154	*46,201	*10,927
Mortgage and real estate loans.....	-	*1,105	-	2,653	-	-	240	-
Other investments.....	1,682,816	2,960,100	502,773	2,029,429	428,332	*202,461	1,715,609	347,984
Depreciable assets.....	4,984,158	5,284,687	2,952,033	7,628,397	2,844,325	631,114	4,272,368	1,438,165
Less: Accumulated depreciation.....	1,890,414	2,895,361	1,483,968	3,823,446	1,062,310	311,087	1,988,678	861,443
Depletable assets.....	-	-	-	-	-	-	-	*48,985
Less: Accumulated depletion.....	-	-	-	-	-	-	-	40,372
Land.....	122,501	126,008	95,702	199,578	44,553	19,709	184,471	39,030
Intangible assets (amortizable).....	3,287,083	1,745,784	487,426	2,247,015	157,743	*28,839	3,238,834	721,460
Less: Accumulated amortization.....	145,358	149,017	95,514	466,466	23,700	*7,025	738,197	168,379
Other assets.....	1,599,570	1,353,989	525,906	2,137,817	131,555	64,999	678,007	160,584
Total liabilities.....	14,907,808	14,105,283	7,905,724	21,342,588	5,249,986	2,323,998	15,388,443	4,523,297
Accounts payable.....	2,836,150	2,042,452	1,541,922	3,696,996	623,843	390,193	1,269,583	744,419
Mortgages, notes, and bonds payable in less than one year.....	779,595	1,077,128	842,207	2,637,387	915,280	162,445	844,388	441,246
Other current liabilities.....	1,311,185	1,114,321	865,361	1,774,481	459,274	607,809	3,156,639	407,895
Loans from stockholders.....	652,683	228,788	405,216	445,396	*104,408	*8,239	485,397	*700,987
Mortgages, notes, and bonds payable in one year or more.....	3,433,772	2,969,958	956,086	2,475,796	442,818	270,559	3,370,518	571,301
Other liabilities.....	1,770,019	411,430	411,430	1,707,351	392,294	59,513	1,186,716	286,979
Net worth.....	4,124,404	4,393,526	3,083,501	8,605,201	2,312,049	825,239	5,055,202	1,370,470
Capital stock.....	645,478	879,960	570,556	1,852,408	953,014	98,512	1,832,173	136,613
Paid-in or capital surplus.....	3,228,239	3,519,000	1,768,339	5,342,836	1,142,271	-559,002	5,599,057	1,024,718
Retained earnings, appropriated.....	3,055	*8,230	12,985	175	-	*455	3,060	9,809
Retained earnings, unappropriated.....	247,632	-8,568	776,972	1,411,015	226,413	169,320	-779,807	203,498
Less: Cost of treasury stock.....	-	*5,098	*65,350	*1,233	9,648	50	6,481	*4,169
Total receipts.....	12,396,943	11,721,069	9,916,786	26,805,119	7,477,353	2,860,391	14,433,065	4,820,432
Business receipts.....	12,134,255	11,338,028	9,616,883	25,471,434	7,255,376	2,767,918	13,627,269	4,648,664
Interest.....	81,730	56,115	61,179	257,215	43,129	32,203	212,074	49,593
Interest on Government obligations:								
State and local.....	148	*936	4,025	2,359	23	-	*640	93
Rents.....	10,417	69,830	23,059	504,047	4,176	402	34,439	*1,197
Royalties.....	49,064	37,189	6,178	198,117	*1,519	*2,330	34,459	52,862
Net short-term capital gain reduced by net long-term capital loss.....	596	-	12	*25,011	-	976	21,824	-
Net long-term capital gain reduced by net short-term capital loss.....	11,451	25,005	44,137	32,148	*61,254	*7,852	2,427	*3,130
Net gain, noncapital assets.....	14,449	17,855	20,748	6,843	1,083	3,466	*5,754	*1,620
Dividends received from domestic corporations.....	926	5,368	657	2,810	82	216	*8,807	*118
Dividends received from foreign corporations.....	1,554	23,494	17,380	55,151	39,825	-	29,071	6,384
Other receipts.....	92,354	147,252	122,728	250,343	70,886	45,029	458,300	56,572
Total deductions.....	12,092,301	11,186,758	9,433,502	25,772,695	7,167,908	2,721,393	13,668,166	4,516,188
Cost of sales and operations.....	9,447,838	8,404,778	6,918,271	17,989,753	5,743,032	2,290,555	8,800,359	3,088,299
Compensation of officers.....	54,695	81,137	120,289	136,050	32,765	-	136,829	49,585
Repairs.....	142,173	36,471	34,075	66,454	35,375	8,580	35,488	7,645
Bad debts.....	13,321	34,860	19,084	64,246	9,211	2,674	23,163	13,688
Rent paid on business property.....	104,094	67,167	70,366	240,454	42,101	10,778	154,166	33,506
Taxes paid.....	211,999	205,475	162,726	273,828	102,680	31,768	325,480	88,083
Interest paid.....	356,623	393,024	142,426	567,228	124,059	42,866	452,103	118,453
Contributions or gifts.....	4,132	2,740	2,369	9,120	2,763	2,051	7,614	1,992
Amortization.....	37,792	29,020	31,881	95,811	19,576	*6,885	65,458	19,958
Depreciation.....	356,095	255,484	216,544	806,111	243,628	47,189	343,862	117,376
Depletion.....	412	-	-	-	-	-	7	16
Advertising.....	14,828	99,993	54,711	543,368	12,364	6,971	138,051	170,070
Pension, profit-sharing, stock bonus, and annuity plans.....	146,922	49,767	59,862	114,413	22,458	9,392	68,372	14,898
Employee benefit programs.....	323,648	189,409	202,088	502,089	131,336	40,597	279,758	74,578
Net loss, noncapital assets.....	5,079	5,391	8,543	32,954	3,622	*621	21,354	3,770
Other deductions.....	872,649	1,332,023	1,370,266	4,331,018	642,937	197,561	3,015,902	714,269
Total receipts less total deductions.....	304,642	534,311	483,284	1,032,423	309,445	138,998	764,899	304,243
Constructive taxable income from related foreign corporations.....	1,988	10,201	*10,231	29,176	33,341	1	4,829	*1,961
Includable income of controlled foreign corporations.....	1,440	815	*154	7,020	-	1	36	*620
Foreign dividend income resulting from foreign taxes deemed paid.....	548	9,387	*10,077	22,156	33,341	1	4,793	*1,342
Net income.....	306,482	543,576	489,491	1,059,240	342,783	138,999	769,089	306,111
Statutory special deduction, total.....	101,696	108,243	126,084	239,413	99,501	*45,508	227,953	57,785
Net operating loss deduction.....	100,395	99,205	120,021	225,361	99,488	*45,374	206,246	52,658
Income subject to tax.....	204,786	437,333	363,407	819,827				

Corporation Returns/1992

RETURNS WITH NET INCOME WITH 50 PERCENT OR MORE FOREIGN OWNERSHIP

Table 25--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major industry--Continued								
	Transportation and public utilities				Wholesale and retail trade				
	Total	Transportation	Communication	Electric, gas, and sanitary services	Total	Wholesale trade			
						Total	Groceries and related products	Machinery, equipment, and supplies	Miscellaneous wholesale trade
(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	
Number of returns, total.....	1,117	1,066	4	*47	6,686	5,378	135	1,023	4,220
Total assets.....	15,239,504	7,675,058	5,409,889	*2,154,557	131,247,062	112,025,622	4,676,638	11,629,962	95,719,022
Cash.....	814,972	596,940	129,435	*88,596	8,709,410	5,718,153	165,697	603,040	4,947,415
Notes and accounts receivable.....	1,833,281	1,037,739	555,125	*240,417	39,711,884	37,958,659	811,884	3,682,827	33,463,968
Less: Allowance for bad debts.....	62,694	25,535	34,992	2,166	842,686	783,193	41,553	78,841	684,799
Inventories.....	411,489	55,346	294,109	*62,034	25,275,078	20,609,930	1,150,267	2,506,411	16,853,252
Investments in Government obligations.....	9,698	9,698	-	-	161,308	*68,697	-	-	*68,697
Tax-exempt securities.....	50,749	48,817	1,932	-	*49,890	*37,943	-	8,051	*29,893
Other current assets.....	933,082	829,547	40,255	*63,279	10,675,990	10,107,866	159,580	782,594	9,155,692
Loans to stockholders.....	*73,094	*73,094	-	-	476,150	342,530	*32,852	201,493	108,085
Mortgage and real estate loans.....	*5,836	*5,836	-	-	21,105	15,313	4,155	*5,253	*19,105
Other investments.....	2,862,134	2,035,796	71,871	*754,367	13,394,256	11,671,169	271,528	2,050,959	9,548,683
Depreciable assets.....	7,481,362	3,811,104	2,811,289	*858,670	37,563,629	27,790,733	1,691,686	2,020,292	24,078,754
Less: Accumulated depreciation.....	2,749,296	1,412,628	1,123,717	*212,953	13,673,213	10,006,375	787,384	885,927	8,333,064
Depletable assets.....	91,454	91,454	-	-	*61,253	*58,803	-	*277	58,326
Less: Accumulated depletion.....	18,025	18,025	-	-	*2,938	*1,264	-	*181	1,083
Land.....	197,152	151,030	27,262	*18,860	2,796,947	1,344,844	100,485	140,716	1,103,743
Intangible assets (amortizable).....	2,227,348	297,044	1,742,594	*187,709	5,505,821	4,122,940	599,096	183,932	3,339,912
Less: Accumulated amortization.....	466,102	89,075	310,121	*66,906	995,219	773,323	*93,541	68,276	611,506
Other assets.....	1,543,971	176,874	1,204,746	*162,351	4,356,393	3,544,296	611,806	465,342	2,467,148
Total liabilities.....	15,239,504	7,675,058	5,409,889	*2,154,557	131,247,062	112,025,622	4,676,638	11,629,962	95,719,022
Accounts payable.....	835,654	111,234	-	*123,599	23,197,523	20,235,961	765,546	2,707,346	16,743,089
Mortgages, notes, and bonds payable in less than one year.....	2,973,979	2,820,823	10,980	*142,175	35,681,701	33,946,781	508,748	2,868,050	30,573,963
Other current liabilities.....	1,735,404	761,756	692,770	*280,679	11,258,498	9,351,634	451,221	852,750	8,047,693
Loans from stockholders.....	483,935	*427,547	-	*56,388	2,102,773	1,736,188	*52,385	221,506	1,462,316
Mortgages, notes, and bonds payable in one year or more.....	3,360,204	2,540,212	117,116	*702,876	21,069,762	14,611,307	1,185,316	1,338,416	12,087,575
Other liabilities.....	1,548,727	907,118	363,792	*277,816	5,909,803	4,983,333	140,190	983,107	3,880,035
Net worth.....	4,068,769	-618,052	4,113,997	*570,824	32,027,002	27,156,419	1,555,252	2,658,785	22,944,362
Capital stock.....	941,391	735,857	124,916	*80,618	9,412,024	8,412,323	199,060	1,161,705	6,051,556
Paid-in or capital surplus.....	4,378,376	528,731	3,268,532	*551,113	12,068,774	8,054,232	711,685	1,007,573	6,334,974
Retained earnings, appropriated.....	*7,861	*7,861	-	*10,324	-	*6,245	-	*1,605	*4,740
Retained earnings, unappropriated.....	-954,605	-1,633,126	690,549	*1,028	9,146,610	9,722,031	645,511	488,019	8,588,502
Less: Cost of treasury stock.....	*306,254	*297,378	-	*48,679	45,370	36,412	1,004	157	35,391
Total receipts.....	14,356,390	9,486,081	3,223,905	*1,646,403	284,826,119	240,899,242	15,026,953	19,817,782	208,054,507
Business receipts.....	13,324,637	8,828,259	3,029,345	*1,467,233	276,861,410	235,503,366	14,739,093	19,196,596	201,567,695
Interest.....	423,346	219,644	148,696	*57,006	2,131,596	1,966,096	37,220	191,703	1,737,174
Interest on Government obligations:									
State and local.....	2,660	2,499	161	-	12,571	12,012	*34	*958	11,020
Rents.....	79,507	78,232	106	1,169	643,133	529,643	16,738	202,936	309,969
Royalties.....	*2,269	235	611	*1,423	81,051	76,177	698	*4,107	81,051
Net short-term capital gain reduced by net long-term capital loss.....	56	55	-	1	8,973	7,671	31	*1,569	6,072
Net short-term capital gain reduced by net long-term capital loss.....	42,364	*41,280	-	1,084	1,467,271	128,912	*1,554	4,050	123,308
Net gain, noncapital assets.....	82,122	16,835	129	45,156	666,913	511,761	1,582	26,298	481,881
Dividends received from domestic corporations.....	19,388	4,671	1,214	13,503	41,612	36,820	11,197	596	25,027
Dividends received from foreign corporations.....	*13,946	*11,117	-	2,829	599,258	598,357	3,983	28,846	565,526
Other receipts.....	385,895	283,255	45,644	*56,996	2,312,329	1,526,409	214,524	158,121	1,155,761
Total deductions.....	13,344,782	8,961,560	2,651,588	*1,531,636	276,067,041	236,519,473	14,840,356	19,423,506	202,255,808
Cost of sales and operations.....	7,014,607	4,795,912	1,205,872	*1,012,823	234,816,465	204,343,533	12,675,259	16,401,525	175,266,749
Compensation of officers.....	117,169	84,924	19,986	*15,289	1,028,623	849,722	43,823	110,996	694,902
Repairs.....	196,509	113,019	78,402	*5,089	441,296	312,762	47,271	24,988	240,503
Bad debts.....	49,893	13,840	31,360	*4,894	497,604	396,022	24,903	38,020	335,068
Rent paid on business property.....	455,591	376,573	37,954	*41,063	2,199,313	1,090,008	129,620	104,384	856,004
Taxes paid.....	297,190	223,114	41,638	*32,438	2,492,371	1,817,753	135,968	152,710	1,529,075
Interest paid.....	497,637	263,179	105,590	*128,868	3,924,541	3,317,838	116,260	257,351	2,944,028
Contributions or gifts.....	4,488	3,528	408	*553	65,985	46,869	1,678	1,800	43,391
Amortization.....	400,563	20,565	363,060	*16,938	278,825	217,101	21,982	18,097	177,022
Depreciation.....	486,335	217,007	211,338	*57,990	4,772,584	4,001,664	127,366	314,648	3,559,631
Depletion.....	4,314	3,367	-	947	17,386	17,386	26	-	17,361
Advertising.....	120,850	30,512	88,763	*1,576	4,224,413	3,752,215	164,921	132,404	3,454,890
Pension, profit-sharing, stock bonus, and annuity plans.....	81,194	25,754	52,474	*2,965	356,994	235,190	29,825	16,725	186,640
Employee benefit programs.....	263,801	149,278	97,793	*16,530	1,335,789	839,410	97,043	94,546	647,820
Net loss, noncapital assets.....	8,913	5,310							

Corporation Returns/1992

RETURNS WITH NET INCOME WITH 50 PERCENT OR MORE FOREIGN OWNERSHIP

Table 25—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued
[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	Major Industry—Continued										
	Wholesale and retail trade—continued										
	Total	Retail trade					Apparel and accessory stores	Furniture and home furnishing stores	Eating and drinking places	Miscellaneous retail stores	Wholesale and retail trade not allocable
		Building materials, garden supplies and mobile home dealers	General merchandise stores	Food stores	Automotive dealers and service stations						
(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)		
Number of returns, total.....	1,308	*12	*5	182	133	75	*56	50	794	-	
Total assets.....	19,221,440	*672,084	*569,430	9,508,832	1,075,618	1,383,806	*119,162	1,367,470	4,525,039	-	
Cash.....	993,257	*24,905	*34,176	456,433	104,016	60,307	*9,594	112,159	194,669	-	
Notes and accounts receivable.....	1,753,225	*51,413	*50,514	484,807	121,845	303,956	*47,523	*130,939	582,228	-	
Less: Allowance for bad debts.....	59,493	*3,475	*14,023	*11,601	3,614	-	-	2,021	24,758	-	
Inventories.....	4,865,148	*267,164	*32,902	2,120,052	444,365	359,928	*46,462	*95,064	1,299,214	-	
Investments in Government obligations.....	92,611	-	-	22,989	-	-	-	-	69,622	-	
Tax-exempt securities.....	11,946	-	-	-	-	-	-	-	11,946	-	
Other current assets.....	568,124	*13,829	*60,933	198,021	47,169	69,621	*142	25,655	152,753	-	
Loans to stockholders.....	135,620	-	227	52,465	*1,369	*2,337	*919	70,000	*8,302	-	
Mortgage and real estate loans.....	*5,792	-	-	-	-	515	*249	-	5,028	-	
Other investments.....	1,523,087	*16,504	*291,347	375,539	*23,700	*106,538	*7,837	*37,561	664,260	-	
Depreciable assets.....	9,772,896	*267,888	*99,696	6,943,035	299,981	510,326	*14,859	*678,602	958,711	-	
Less: Accumulated depreciation.....	3,666,838	*108,075	*27,816	2,608,047	113,250	203,028	*6,339	*222,200	378,085	-	
Depletable assets.....	2,650	-	-	-	-	-	-	-	2,650	-	
Less: Accumulated depletion.....	1,674	-	-	-	-	-	-	-	1,674	-	
Land.....	1,452,003	*88,682	17,740	1,021,260	*111,141	20,574	*1,288	*154,391	27,429	-	
Intangible assets (amortizable).....	1,382,882	3,384	*1,147	*156,415	*19,073	205,552	*38	*177,247	820,028	-	
Less: Accumulated amortization.....	221,893	911	*741	*23,429	*9,258	63,987	*38	*19,461	104,069	-	
Other assets.....	812,097	*40,778	*9,303	343,317	*37,069	15,281	*28	*129,535	236,786	-	
Total liabilities.....	19,221,440	*672,084	*569,430	9,508,832	1,075,618	1,383,806	*119,162	1,367,470	4,525,039	-	
Accounts payable.....	2,961,542	*122,115	*25,772	1,431,356	103,079	156,525	*65,765	*146,685	910,245	-	
Mortgages, notes, and bonds payable in less than one year.....	1,732,940	*56,892	7,203	820,387	243,668	105,288	*5,741	*27,670	466,292	-	
Other current liabilities.....	1,906,864	*42,676	*126,010	954,519	194,718	104,702	*2,384	*93,710	388,146	-	
Loans from stockholders.....	368,587	-	*6,457	*9,564	*4,091	21,084	*33,042	*42,638	249,711	-	
Mortgages, notes, and bonds payable in one year or more.....	6,458,454	*322,088	*149,382	4,020,032	*146,391	311,297	*7,990	678,954	824,320	-	
Other liabilities.....	926,471	*28,055	*47,199	362,362	*47,386	*37,150	()	*58,676	345,844	-	
Net worth.....	4,868,582	*100,457	*207,407	1,910,812	336,286	647,761	*4,240	321,137	1,340,682	-	
Capital stock.....	1,434,700	*7,025	*332,983	354,739	85,412	40,435	*5,255	153,978	455,124	-	
Paid-in or capital surplus.....	4,014,542	*80,028	*525,692	1,784,921	*156,623	453,983	-	*158,613	844,683	-	
Retained earnings, appropriated.....	*4,079	-	-	-	*2,074	-	-	-	2,005	-	
Retained earnings, unappropriated.....	-575,421	*14,411	*651,278	-238,427	92,178	-160,828	*-1,015	9,011	38,870	-	
Less: Cost of treasury stock.....	*9,318	1,007	-	361	-	*7,485	-	465	-	-	
Total receipts.....	43,926,877	*1,326,516	*1,804,740	28,249,658	2,156,432	2,254,017	*181,441	1,609,257	6,344,815	-	
Business receipts.....	41,358,024	*1,313,211	*343,908	27,636,539	2,092,690	2,174,649	*180,406	*1,560,473	6,055,849	-	
Interest.....	165,500	*5,605	*7,119	72,492	5,657	22,012	*859	13,895	37,882	-	
Interest on Government obligations:											
State and local.....	559	-	-	-	-	-	-	-	559	-	
Rents.....	113,490	*1,057	2,962	59,484	*6,514	1,374	*100	*6,510	*35,489	-	
Royalties.....	4,874	243	-	-	-	3,734	-	130	768	-	
Net short-term capital gain reduced by net long-term capital loss.....	*1,302	-	-	-	-	-	-	*861	441	-	
Net long-term capital gain reduced by net short-term capital loss.....	1,338,358	715	1,324,242	17	*1,719	*897	-	*652	*10,115	-	
Net gain, noncapital assets.....	155,152	55	104,478	28,879	*16,411	-24	-	*2,851	*2,453	-	
Dividends received from domestic corporations.....	*4,792	-	10	1,138	*56	-	-	-	3,587	-	
Dividends received from foreign corporations.....	902	-	-	-	-	177	-	385	340	-	
Other receipts.....	783,923	*5,630	*22,021	451,108	33,386	50,852	*76	*23,500	197,352	-	
Total deductions.....	41,547,568	*1,296,880	*425,475	27,760,138	2,114,499	2,133,393	*179,354	1,554,053	6,083,776	-	
Cost of sales and operations.....	30,472,932	*909,310	*265,615	21,324,750	1,763,800	1,255,729	*140,385	*822,426	3,990,817	-	
Compensation of officers.....	176,901	*4,012	*1,831	51,473	*15,422	*17,395	*1,241	*16,109	69,420	-	
Repairs.....	128,534	*7,681	*1,855	80,436	5,044	*5,284	*234	*11,615	16,585	-	
Bad debts.....	99,582	*4,467	*27,006	*23,121	7,216	4,795	*931	*11,761	30,285	-	
Rent paid on business property.....	1,109,305	*29,863	*8,698	598,966	20,237	113,109	*4,071	*51,356	283,005	-	
Taxes paid.....	674,618	*31,261	*9,657	390,054	21,384	60,902	*678	48,114	112,568	-	
Interest paid.....	606,903	*31,141	*31,641	299,918	23,022	28,379	*1,968	53,667	137,168	-	
Contributions or gifts.....	19,115	*351	6,650	*6,932	*81	*1,826	*24	*486	2,565	-	
Amortization.....	61,724	*2,226	*831	*5,591	*2,088	*8,275	*3	*8,776	33,967	-	
Depreciation.....	770,720	*19,037	*5,126	518,880	16,216	48,148	*736	*49,472	113,104	-	
Depletion.....	-	-	-	-	-	-	-	-	-	-	
Advertising.....	472,197	*24,050	*3,556	254,352	19,156	47,438	*557	*60,699	62,390	-	
Pension, profit-sharing, stock bonus, and annuity plans.....	121,804	1,271	162	105,539	*2,622	3,618	-	3,334	5,257	-	
Employee benefit programs.....	496,379	*9,021	*2,120	379,684	*16,685	19,020	-	*20,674	49,175	-	
Net loss, noncapital assets.....	23,124	212	*1,419	1,375	*249	10,777	-	*2,725	6,367	-	
Other deductions.....	6,313,728	*222,975	*59,309	3,719,096	201,179	508,700	*28,526	402,839	1,171,105	-	
Total receipts less total deductions.....	2,379,309	*29,636	*1,379,265	489,520	41,933	120,625	*2,087	55,205	261,039	-	
Constructive taxable income from related foreign corporations.....	1,400	-	-	-	-	844	-	202	354	-	
Includable income of controlled foreign corporations.....	675	-	-	-	-	675	-	-	-	-	
Foreign dividend income resulting from foreign taxes deemed paid.....	725	-	-	-	-	169	-	202	354	-	
Net income.....	2,380,150	*29,636	*1,379,265	489,520	41,933	121,469	*2,087	55,406	260,834	-	
Statutory special deduction, total.....	1,501,951	*5,278	*1,385,005	*11,296	*9,138	17,737	*1,797	*25,982	65,717	-	
Net operating loss deduction.....	1,496,156	*2,565	*1,384,998	*10,388	*9,094	17,737	*1,797	*25,982	63,597	-	
Income subject to tax.....	875,226	*24,358	14,259	478,224	*32,795	103,732	*290	*29,424	192,143	-	
Income tax, total.....	330,384	*8,305	*33,099	185,350	11,385	35,891	*215	10,769	65,370	-	
Regular tax.....	295,036	*8,282	4,851	182,845	*11,077	35,302	*43	*9,858	62,778	-	
Recapture of investment credit.....	462	-	462	-	-	-	-	-	-	-	
Alternative minimum tax.....	32,213	-	*26,196	*1,837	*296	483	*171	*853	2,376	-	
Environmental tax.....	2,673	23	1,590	668	*12	106	-	*56	216	-	
Foreign tax credit.....	11,011	-	62	9,576	-	219	-	887	*286	-	
U.S. possessions tax credit.....	-	-	-	-	-	-	-	-	-	-	
Orphan drug credit.....	-	-	-	-	-	-	-	-	-	-	
Nonconventional source fuel credit.....	2	-	-	-	-	-	-	-	2	-	
General business credit.....	9,016	392	-	7,067	-	-	-	533	*1,024	-	
Prior year minimum tax credit.....	12,639	1,504	593	6,701	289	-	-	*117	3,435	-	
Total income tax after credits.....	297,716	*6,409	*32,444	142,005	11,096	35,672	*215	9,251	60,624	-	

Footnotes at end of table. See text for "Explanation of Terms" and "Description of the Sample and Limitation of the Data."

Corporation Returns/1992

RETURNS WITH NET INCOME WITH 50 PERCENT OR MORE FOREIGN OWNERSHIP

Table 25--Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry--Continued

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

Item	Major Industry--Continued							
	Finance, insurance, and real estate							
	Total	Banking	Credit agencies other than banks	Security, commodity brokers and services	Insurance	Insurance agents, brokers, and service	Real estate	Holding and other investment companies, except bank holding companies
	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)
Number of returns, total.....	4,129	79	115	173	135	19	2,730	880
Total assets.....	599,093,814	118,538,288	79,499,754	197,705,906	145,802,347	4,896,611	16,343,174	36,307,735
Cash.....	22,414,167	13,022,131	2,793,461	3,477,427	946,847	386,349	743,842	1,044,110
Notes and accounts receivable.....	145,098,707	60,773,535	45,707,239	28,149,689	3,134,509	334,164	579,744	6,419,826
Less: Allowance for bad debts.....	3,048,886	1,582,804	1,327,470	3,193	43,248	5,003	12,417	74,751
Inventories.....	365,293	31,824	22,880	28,488	838	867	212,555	*68,039
Investments in Government obligations.....	47,289,938	15,301,227	446,870	14,738,065	15,780,949	134,376	*16,697	871,755
Tax-exempt securities.....	12,265,239	1,424,483	3,372	44,131	10,505,098	260,706	26,544	*925
Other current assets.....	130,781,769	8,250,517	4,541,862	95,727,720	17,934,826	232,032	833,226	3,261,586
Loans to stockholders.....	12,373,991	401,624	5,343,138	136,433	94	-	133,396	6,359,305
Mortgage and real estate loans.....	26,809,679	7,233,929	8,888,558	4,651	9,303,049	1,858	438,074	939,561
Other investments.....	171,516,798	6,431,819	9,568,303	52,096,325	83,008,150	*3,205,753	3,888,455	13,317,994
Depreciable assets.....	17,756,334	2,504,991	3,190,356	795,513	918,639	270,149	7,831,328	2,245,359
Less: Accumulated depreciation.....	5,545,815	1,371,419	1,612,955	295,519	148,185	*143,596	1,568,490	405,651
Depletable assets.....	*280,868	-	-	-	98,054	219	*34,059	128,537
Less: Accumulated depletion.....	*108,479	-	-	-	75,955	219	*7,890	24,415
Land.....	3,401,414	139,480	210,490	1,799	27,983	8,191	2,566,473	446,999
Intangible assets (amortizable).....	2,871,471	676,606	1,181,998	619,533	99,206	*67,229	92,314	134,585
Less: Accumulated amortization.....	774,091	99,515	379,715	197,968	29,234	*13,707	30,005	23,948
Other assets.....	15,365,417	5,399,880	921,568	2,382,814	4,340,728	157,243	565,288	1,597,916
Total liabilities.....	599,093,814	118,538,288	79,499,754	197,705,906	145,802,347	4,896,611	16,343,174	36,307,735
Accounts payable.....	23,582,344	4,209,594	1,045,973	16,538,514	1,056,364	1,687,676	288,819	345,004
Mortgages, notes, and bonds payable in less than one year.....	74,011,167	4,102,739	39,085,965	17,547,667	405,257	*128,267	2,712,097	10,029,175
Other current liabilities.....	272,275,968	80,576,882	14,318,939	147,687,828	26,657,121	605,386	564,665	1,865,046
Loans from stockholders.....	6,420,052	490,568	471,807	*539,716	*21,157	*52,682	1,957,573	2,886,549
Mortgages, notes, and bonds payable in one year or more.....	43,751,485	10,199,883	15,370,544	3,022,782	4,025,641	*275,211	4,537,897	6,319,545
Other liabilities.....	101,888,838	8,981,143	3,200,552	7,399,692	79,890,744	*96,106	1,054,855	1,265,746
Net worth.....	77,163,962	9,977,399	6,005,973	4,969,707	33,746,083	3,620,883	5,247,268	13,596,670
Capital stock.....	13,259,560	2,870,111	873,789	1,407,616	2,592,121	291,148	2,644,751	2,580,024
Paid-in or capital surplus.....	47,062,072	4,543,834	5,165,738	3,496,398	18,024,483	153,727	4,603,605	11,074,267
Retained earnings, appropriated.....	1,969,977	69,029	3,257	1,329	1,895,352	-	-	1,010
Retained earnings, unappropriated.....	15,305,049	2,495,361	-36,811	94,447	11,464,219	3,176,424	-1,951,701	63,111
Less: Cost of treasury stock.....	432,697	*937	-	30,083	230,112	416	*19,387	*121,762
Total receipts.....	86,501,549	10,543,509	7,092,503	14,258,752	46,713,424	1,878,488	2,595,725	3,421,147
Business receipts.....	46,035,975	1,724,846	784,491	3,560,381	36,099,080	1,766,925	1,140,122	980,130
Interest.....	31,072,083	7,462,405	5,084,810	8,843,898	7,890,678	66,965	2,468,015	1,477,313
Interest on Government obligations:								
State and local.....	427,229	148,753	3,454	26,082	221,017	21,839	*1,462	*6,843
Rents.....	1,862,840	355,984	871,563	42,675	118,095	*284	525,035	149,204
Royalties.....	59,927	75	2,350	16,467	3,044	-	*82	*35,909
Net short-term capital gain reduced by net long-term capital loss.....	603,365	1,109	9,149	143,569	385,761	5,730	*13,160	44,888
Net long-term capital gain reduced by net short-term capital loss.....	1,464,812	23,333	51,198	34,555	946,593	1,694	232,189	175,249
Net gain, noncapital assets.....	314,509	155,310	108,944	445	3,476	*26	20,435	*25,874
Dividends received from domestic corporations.....	534,554	244,161	27,573	18,931	178,575	9,167	*1,214	54,933
Dividends received from foreign corporations.....	148,370	310	19,673	5,700	3,323	13	*11	117,340
Other receipts.....	3,979,884	429,225	349,299	1,564,068	883,781	*3,846	416,000	353,666
Total deductions.....	79,464,700	9,571,942	6,657,032	13,469,895	43,830,998	1,378,440	2,154,258	2,602,135
Cost of sales and operations.....	17,954,208	5,069	168,835	*923,560	15,742,619	*21,484	476,830	615,811
Compensation of officers.....	1,163,006	322,437	82,843	570,730	112,117	*26,196	28,382	20,303
Repairs.....	141,135	62,309	18,889	12,242	7,451	*1,907	3,125	3,125
Bad debts.....	1,574,810	902,973	492,187	*55,805	44,863	*1,342	22,626	55,014
Rent paid on business property.....	946,275	265,128	105,371	192,773	303,596	45,707	13,114	20,585
Taxes paid.....	1,473,560	203,009	103,943	165,645	704,454	76,037	154,461	65,810
Interest paid.....	18,562,373	4,146,005	3,916,441	7,982,278	820,770	32,924	496,714	1,167,242
Contributions or gifts.....	31,265	12,111	2,835	4,944	6,121	*1,880	983	2,392
Amortization.....	411,518	73,212	123,233	50,605	124,400	*1,699	16,818	21,250
Depreciation.....	1,799,263	646,338	528,831	104,311	154,983	26,540	279,310	56,949
Depletion.....	32,382	472	-	4	-	-	*2,951	*28,955
Advertising.....	180,269	63,319	22,128	11,500	39,007	*21,136	11,696	11,484
Pension, profit-sharing, stock bonus, and annuity plans.....	276,878	74,751	10,760	38,143	99,477	*48,448	467	4,832
Employee benefit programs.....	531,776	151,270	47,266	76,691	184,206	51,534	4,715	16,094
Net loss, noncapital assets.....	223,252	172,590	*634	15,254	4,407	*473	4,247	25,646
Other deductions.....	34,162,733	2,470,948	1,032,837	3,264,911	25,282,525	1,019,134	605,733	486,645
Total receipts less total deductions.....	7,036,849	971,568	435,471	788,857	3,082,426	498,048	441,468	819,012
Constructive taxable income from related foreign corporations.....	139,407	300	*10,951	16,549	3,101	1	-	108,506
Includable income of controlled foreign corporations.....	68,488	-	*4,308	13,249	2,679	-	-	48,251
Foreign dividend income resulting from foreign taxes deemed paid.....	70,919	300	6,843	3,300	421	1	-	60,254
Net income.....	6,749,027	825,115	442,968	779,344	2,864,509	476,211	440,005	920,875
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Corporation Returns/1992

RETURNS WITH NET INCOME WITH 50 PERCENT OR MORE FOREIGN OWNERSHIP

Table 25—Balance Sheet, Income Statement, Tax, and Selected Other Items, by Major Industry—Continued

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

Item	Major industry—Continued							Nature of business not allocable
	Services							
	Total	Hotels and other lodging places	Personal services	Business services	Auto repair, miscellaneous repair services	Amusement and recreation services	Other services	
(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)	
Number of returns, total.....	2,928	161	*57	1,444	*44	180	1,042	-
Total assets.....	24,872,646	3,424,172	*858,084	12,356,311	*586,271	3,362,326	4,285,483	-
Cash.....	1,495,978	139,221	*42,277	*589,340	*18,449	307,379	421,312	-
Notes and accounts receivable.....	5,317,979	95,637	*82,753	3,601,356	*45,019	275,364	1,217,650	-
Less: Allowance for bad debts.....	184,136	*9,772	5,980	55,359	*2,120	24,988	95,917	-
Inventories.....	760,968	*11,488	*32,537	412,259	*78,729	150,928	77,018	-
Investments in Government obligations.....	*204,238	-	-	*203,932	-	-	*306	-
Tax-exempt securities.....	-	-	-	-	-	-	-	-
Other current assets.....	1,211,317	47,883	*20,025	756,948	*8,044	88,260	290,156	-
Loans to stockholders.....	84,858	*3,719	75	*35,806	*388	*19,545	*25,325	-
Mortgage and real estate loans.....	*32,559	*30,569	-	*1,234	-	*758	-	-
Other investments.....	6,083,599	*888,335	*4,807	3,442,585	*204,806	674,697	888,590	-
Depreciable assets.....	9,569,090	1,309,270	*360,409	3,305,826	*231,784	2,764,171	1,597,541	-
Less: Accumulated depreciation.....	4,135,698	355,038	*93,439	1,289,000	*69,471	1,673,268	845,484	-
Depletable assets.....	*3,052	-	-	200	-	-	*2,852	-
Less: Accumulated depletion.....	*2,261	-	-	108	-	-	*2,153	-
Land.....	700,398	237,242	*79,953	100,322	*26,666	174,984	81,231	-
Intangible assets (amortizable).....	2,256,227	*15,715	*227,694	1,143,440	*31,302	597,924	240,152	-
Less: Accumulated amortization.....	609,456	*4,928	*18,113	297,801	*12,752	240,296	35,569	-
Other assets.....	2,094,227	*1,034,820	*125,084	435,552	*29,629	246,666	222,274	-
Total liabilities.....	24,872,646	3,424,172	*858,084	12,356,311	*586,271	3,362,326	4,285,483	-
Accounts payable.....	2,015,172	28,322	*38,842	1,128,565	*25,306	254,904	539,233	-
Mortgages, notes, and bonds payable in less than one year.....	2,076,134	*49,099	3,208	1,151,708	*200,701	136,392	535,028	-
Other current liabilities.....	3,769,272	145,093	*139,755	2,629,828	*55,616	288,439	512,540	-
Loans from stockholders.....	1,162,394	*10,210	*130,225	737,541	-	*55,906	228,513	-
Mortgages, notes, and bonds payable in one year or more.....	4,606,193	1,019,198	*257,021	2,046,401	*130,690	411,682	741,200	-
Other liabilities.....	2,329,285	*723,202	24,461	669,225	*38,334	363,608	510,457	-
Net worth.....	8,914,197	1,449,047	*264,573	3,993,045	*135,624	1,853,397	1,218,513	-
Capital stock.....	3,341,064	1,234,181	*20,760	830,812	*42,153	926,163	286,895	-
Paid-in or capital surplus.....	6,924,334	*148,121	*155,589	3,689,449	*495,561	1,415,908	1,019,706	-
Retained earnings, appropriated.....	1,398	-	-	1,398	-	-	-	-
Retained earnings, unappropriated.....	-1,272,517	70,935	*88,223	-452,887	*402,090	-488,675	-88,022	-
Less: Cost of treasury stock.....	*80,082	*4,190	-	*75,828	-	-	66	-
Total receipts.....	21,320,758	1,123,108	*617,052	11,888,804	*461,007	2,476,479	4,774,308	-
Business receipts.....	19,266,552	913,273	*546,586	10,922,960	*363,892	2,126,303	4,393,537	-
Interest.....	552,557	27,961	*29,437	235,949	*7,533	186,111	65,566	-
Interest on Government obligations:	-	-	-	-	-	-	-	-
State and local.....	1,246	-	-	923	-	-	323	-
Rents.....	441,246	*27,753	*2,237	317,387	*59,945	*14,172	19,771	-
Royalties.....	150,804	33,743	3,174	*49,025	4,465	*58,156	*2,242	-
Net short-term capital gain reduced by net long-term capital loss.....	*723	-	-	680	-	-	*42	-
Net long-term capital gain reduced by net short-term capital loss.....	149,334	*43,351	*21,620	*2,105	(1)	*33,508	*48,751	-
Net gain, noncapital assets.....	174,160	*686	*560	117,589	*12,163	*25,007	18,154	-
Dividends received from domestic corporations.....	428	25	-	384	-	-	*38	-
Dividends received from foreign corporations.....	*71,795	52,447	-	19,102	-	*185	61	-
Other receipts.....	511,914	23,868	*13,439	202,739	*13,009	33,038	225,823	-
Total deductions.....	19,911,569	938,593	*578,097	11,220,034	*429,303	2,318,806	4,426,737	-
Cost of sales and operations.....	8,319,808	118,354	*128,124	5,561,840	*173,997	895,303	1,442,188	-
Compensation of officers.....	451,489	*9,702	*18,239	294,858	*3,189	25,182	100,318	-
Repairs.....	95,893	8,332	*8,545	35,029	*1,510	17,121	25,357	-
Bad debts.....	109,753	5,036	*3,895	34,876	*3,934	17,263	44,747	-
Rent paid on business property.....	998,076	*77,694	*21,316	648,387	*7,323	121,079	122,277	-
Taxes paid.....	708,760	55,250	*22,968	414,787	*8,015	68,811	138,928	-
Interest paid.....	802,073	96,354	*57,041	284,922	*22,757	226,514	114,485	-
Contributions or gifts.....	4,171	*347	*173	2,882	*11	188	570	-
Amortization.....	264,838	2,110	*9,377	100,959	*2,435	142,501	7,456	-
Depreciation.....	710,385	63,852	*23,830	318,330	*67,187	104,156	133,030	-
Depletion.....	*4	-	-	-	-	-	*4	-
Advertising.....	184,657	11,069	*7,385	88,478	*16,709	30,595	30,421	-
Pension, profit-sharing, stock bonus, and annuity plans.....	96,698	1,949	*4,431	65,786	261	*6,836	17,454	-
Employee benefit programs.....	439,886	*3,702	*13,872	271,100	*8,155	20,691	122,367	-
Net loss, noncapital assets.....	21,118	-	161	9,007	*1,202	*1,731	9,018	-
Other deductions.....	6,705,963	484,840	*258,740	3,090,813	*112,619	640,835	2,118,116	-
Total receipts less total deductions.....	1,409,188	184,515	*38,956	648,769	*31,704	157,673	347,571	-
Constructive taxable income from related foreign corporations.....	*30,104	17,058	-	12,969	-	*36	40	-
Includable income of controlled foreign corporations.....	1,585	-	-	1,585	-	-	-	-
Foreign dividend income resulting from foreign taxes deemed paid.....	*28,519	17,058	-	11,384	-	*36	40	-
Net income.....	1,438,046	201,574	*38,956	660,816	*31,704	157,709	347,289	-
Statutory special deduction, total.....	470,047	*27,536	990	228,034	*10,073	101,000	97,413	-
Net operating loss deduction.....	469,767	*27,518	990	225,776	*17,073	101,000	97,409	-
Income subject to tax.....	967,999	174,038	*37,966	434,781	*14,631	56,708	249,875	-
Income tax, total ¹	343,216	60,368	*12,598	151,692	*5,331	22,497	90,732	-
Regular tax.....	322,072	58,358	*12,318	144,659	*4,827	19,156	82,554	-
Recapture of investment credit.....	31	-	-	-	-	-	31	-
Alternative minimum tax.....	18,630	*1,802	249	6,258	*483			

Section 5

Explanation of Terms

The following explanations include definitions and limitations of terms used, and adjustments made in preparing the statistics. These explanations are designed to aid the user in interpreting the statistical content of this report and should not be construed as interpretations of the Internal Revenue Code or policies. Code sections cited were those in effect for the Income Years of the report. Whenever a year is cited, it refers to the calendar year, unless otherwise stated.

The instructions for the tax forms in section 6 provide additional information about many items. Finally, definitions marked with the symbol (*) have been modified from prior year reports to reflect processing or tax law changes as well as clarifications of the explanations.

Accounting Periods

Among the several classifications used in this report, tax return data are classified according to the accounting periods used by corporations. For a detailed discussion of this classification, see Time Period Employed in section 1, Introduction.

Accounts and Notes Payable (*)

This item consisted of accounts payable and mortgages, notes, and bonds payable in less than one year. Each is described separately under its own heading below. Accounts and notes payable were presented in the statistics for tables 4 and 5.

Accounts Payable (*)

Relatively short-term liabilities arising from the conduct of trade or business which were not secured by promissory notes were generally included under this heading.

For certain banking and savings and loan institutions reporting deposits and withdrawable shares in this account, prior-year Corporation Source Book ratios were used to move amounts to Other Current Liabilities. In 1991, the use of prior-year ratios to move amounts from Accounts Payable to Other Current Liabilities was not employed. Prior to 1991, for those certain banking and savings and loan institutions, prior-year Corporation Source Book ratios were used to move amounts to Other Current Liabilities. Thus, due to the change in statistical treatment, Accounts Payable for 1991 tends to be overstated while Other Current Liabilities for 1991 tends to be understated compared to pre-1991 and 1992 data.

Advertising

Advertising expenses were allowed as a deduction under

Code section 263(b), if they were ordinary and necessary and bore a reasonable relation to the trade or business of the corporation. The amount shown in the statistics included advertising identified as part of the cost of sales and operations, or capitalized under section 263A, as well as advertising reported separately as a business deduction. The statistics included combined amounts reported as advertising and promotion and advertising and publicity. For corporations whose principal business activity was: the printing and publishing of newspapers and periodicals; radio and television broadcasting; telephone, telegraph, or other communication services, the statistics did not include advertising expenses incurred in the preparation of customers' publicity. If identified, these amounts were treated as part of the cost of sales and operations.

For all 1120-A corporations, advertising identified in Other Deductions or attached schedules was included in the statistics for advertising.

Alcohol Fuel Credit (*)

An income tax credit was available for alcohol (other than alcohol produced from petroleum, natural gas, or coal) used as a fuel (whether partially or completely comprised of alcohol) in internal combustion engines. In general, the alcohol fuel credit was the sum of the alcohol mixture credit, the alcohol credit, and the small ethanol producer credit. The amount of the alcohol mixture credit and the alcohol credit was 60 cents per gallon for alcohol of at least 190 proof and 45 cents per gallon for alcohol between 150 and 190 proof. No credit was available for alcohol of less than 150 proof. The alcohol mixture credit was for alcohol utilized in the production of a qualified mixture fuel used by the producer or sold in trade or business. The small ethanol producer credit was for an ethanol producer in the amount of 10 cents up to 15 million gallons per year.

The Windfall Profit Tax Act of 1980 contained provisions for the alcohol fuel credit. The credit was generally available for alcohol sold or used after September 30, 1980, and before January 1, 1993. The Revenue Reconciliation Act of 1990 extended the alcohol fuel credit through December 31, 2000 but the credit may be subject to an earlier termination. The credit was also expanded to include the small ethanol producer credit. For alcohol blenders, the alcohol mixture credit and the alcohol credit were reduced for alcohol produced, sold or used in tax years beginning after 1990. For 190-or-greater proof ethanol, the credit rate was reduced from 60 to 54 cents per gallon, and for ethanol of at least 150 proof and less than 190 proof, the credit rate was reduced from 45 to 40 cents per gallon.

The Energy Policy Act of 1992 extended the partial excise tax exemption for gasoline that was mixed with alcohol to include blends that contain less than 10% alcohol. This change was effective for gasoline removed after December 31, 1992. The credit was claimed as one of the components of the general business credit. For a discussion of the income tax limitations and carryback and carryforward provisions of the credit, see General Business Credit, in this section. The alcohol fuel credit was included (as a component) in the general business credit shown in the tables. The components of the general business credit were shown separately in Table 21.

Allowance for Bad Debts

Most corporations identified on their balance sheet the allowance or reserve set aside to cover uncollectible or doubtful notes, accounts, and loans as an adjustment to notes and accounts receivable. A few corporations, however, reported only net receivables and, thus, did not show their allowance for bad debts. The statistics for both the allowance and for the gross amount of Notes and Accounts Receivable were understated by these unidentified amounts. Additionally, the allowance was not available from balance sheets of tax returns filed by life and certain mutual insurance companies for prior years. However, beginning with Tax Year 1987, data for these accounts became available from income tax returns filed by certain nonlife mutual insurance companies, as well as for certain stock insurance companies which filed a Form 1120-PC. On the other hand, the statistics for both accounts continue to be understated by the amounts unidentified for life insurance companies.

Since corporation tax return balance sheets did not provide for the separate reporting of reserves for uncollectible mortgage and real estate loans, many banks and savings and loan associations may have included such reserves in the allowance for bad debts. If, on the other hand, these reserves were reported in supporting schedules, they were later added to the allowance for bad debts during statistical processing. However, in some cases, the supporting schedules were not attached to the return and the amount may be understated.

Alternative Minimum Tax (*)

The alternative minimum tax was designed to ensure that no taxpayer with substantial economic income could avoid significant tax liability through a legitimate use of exclusions, deductions, and credits. The former minimum tax did not adequately address tax avoidance, for two reasons: (1) it did not define a comprehensive income base, and (2) it did not sufficiently approach the measurement of economic income. The computation of the alternative minimum tax addressed both these concerns through the treatment of adjustment items, tax preference items, and adjusted current earnings.

To compute the alternative minimum tax (AMT), adjustments were made to the income subject to regular tax (before the net operating loss deduction). Adjustment items could either increase or decrease the income subject to regular tax.

The adjustments reflected the difference in treatment of certain items under the regular tax system versus the treatment under the AMT system. The accelerated aspect of specific income tax items under the regular system were adjusted and the same items were adjusted to satisfy the intent of the AMT system. The AMT adjustment was the difference between the two systems for each item. The adjustment items included:

- (1) Depreciation of tangible property placed in service after 1986;
- (2) Amortization of certified pollution control facilities placed in service after 1986;
- (3) Amortization of mining exploration and development costs paid or incurred after 1986;
- (4) Amortization of circulation expenses of personal holding companies only;
- (5) Basis adjustment in determining gain or loss from sale or exchange of property;
- (6) Long term contracts entered into after February 28, 1986;
- (7) Installment sales of certain property;
- (8) Merchant marine capital construction funds;
- (9) IRC section 833(b) deduction;
- (10) Tax shelter farm activities of personal service corporations only;
- (11) Passive activities;
- (12) Certain loss limitations; and
- (13) Other adjustments.

Tax preference items were added to the income base of the alternative minimum tax, as they were to the income base of the former minimum tax. These tax items typically express more permanent differences between the regular tax system and the AMT system. Tax preference items added to the income base of the alternative minimum tax included:

- (1) Depletion;
- (2) Tax-exempt interest from private activity bonds issued after August 7, 1986;
- (3) Appreciated property charitable deduction;
- (4) Intangible drilling costs;
- (5) Reserves for losses on bad debts of financial institutions;
- (6) Accelerated depreciation of real property placed in service before 1987;
- (7) Accelerated depreciation of leased personal property placed in service before 1987 (personal holding companies only); and
- (8) Amortization of certified pollution control facilities placed in service before 1987.

Thus, the income subject to regular tax before NOLD reconciled by the adjustment items, tax preference items, and the adjusted current earnings (ACE) adjustment became the alternative minimum taxable income, or AMTI (the ACE adjustment is designed to recapture overall tax savings enjoyed by corporations with considerable earnings but rela-

tively little taxes). AMTI could then be reduced by the alternative tax NOLD, but not by more than 90 percent. The AMTI could be further reduced by an adjustment based on energy preferences and an exemption amount; the maximum exemption was \$40,000. No exemption applied when the alternative minimum taxable income exceeded \$310,000.

The tentative minimum tax was determined by applying a 20 percent rate of tax to the alternative minimum taxable income after the reduction for the alternative tax NOLD, the energy preferences adjustment and the income exemption. The tentative minimum tax could be reduced by an AMT foreign tax credit and carryover of unused investment credits. The foreign tax credit was computed under the AMT system and could not become part of that credit allowed under the regular tax system. Up to 25 percent of the tentative minimum tax remaining after the AMT foreign tax credit could be reduced by the carryover of investment tax credits.

The amount by which the remaining tentative minimum tax exceeded the regular tax after reduction by the foreign tax credit (under the regular system) and the possessions tax credit was the alternative minimum tax.

An adjustment based on energy preferences was added to the Alternative Minimum Tax (AMT) computation per section 56(h) (added by Section 11531 of the Revenue Reconciliation Act of 1990). The adjustment was based upon the energy preference deduction applicable to all corporations except integrated oil companies. This deduction was the sum of 75 percent of the portion of intangible drilling cost preference that was attributable to qualified exploratory costs, 15 percent of the remainder of the intangible drilling cost preference, and 50 percent of the marginal product depletion preference. For AMT purposes, the energy preference deduction was limited to 40 percent of the alternative minimum taxable income before the AMT net operating loss deduction.

Amortization

Amortization was a deduction for recovery of certain expenditures over a certain period of time in a manner similar to straight-line depreciation. Typically, the period of time over which the expenditure was written off was much shorter than if depreciation had been used; depending on the specific provision of the law, the period of time often was only 60 months. The following types of amortization, applicable to the statistics in this report, were specifically mentioned in the Code as allowable deductions:

- bond premiums (Code section 171)
- certain business startup expenditures (Code section 195)
- computer software costs expenditures to remove architectural and transportation barriers to the handicapped and elderly (Code section 190)
- lessee's improvements to leased property, leasehold improvements (Code section 178)

- organizational expenditures of corporations (Code section 248)
- optional write-off of certain tax preferences over a specified period (Code section 59(e))
- pollution control facilities (Code section 169 limited by Code section 291)
- qualified forestation and reforestation expenditures (Code section 194)
- research and experimental expenditures (Code section 174).

The amounts shown in the statistics included any identifiable amortization (as described above) reported as part of the cost of sales and operations or in the schedule in support of depreciation as described below. Amortization was reported separately on Form 4562, Depreciation and Amortization, and not on a separate line of the income statement of the tax return. The amount of amortization was also reported in Other Deductions. However, when amortization was shown separately for the statistics, the amount was excluded from Other Deductions. Because some corporations may not have identified amortization separately in the schedules of support for other deductions, the statistics for Amortization may be understated and Other Deductions may be overstated by the same amounts.

Beginning with the 1986 statistics, all deduction amounts identified as amortization by the taxpayer were included in amortization with the following exceptions: (1) when the property appeared to actually be depreciable rather than amortizable property, and (2) when the amortization was for intangible drilling costs, which was included in Other Deductions in the statistics. See also: Alternative Minimum Tax.

Bad Debts

Bad debts occurring during the year, or a reasonable addition to an allowance or reserve for bad debts, were allowable as a deduction under Code sections 166 and 585, respectively. Included in the statistics were amounts such as bad check losses, worthless government or corporate bonds, notes for commercial and mutual banks and for bank holding companies, writeoffs, net loss from agents or premiums from other insurance companies, and uncollectible railway revenue.

Commercial banks, mutual savings banks, savings and loan associations, small business investment companies and other financial institutions were historically permitted to take a deduction for a reasonable addition to their bad debt balance which was far greater than that allowed other businesses. Unlike other businesses, which could deduct additions to their reserves only to the extent justified by their actual loss experience, these financial institutions were able to increase their reserves based on percentages of outstanding loans. However, certain restrictions to bring these institutions in line with other businesses were introduced in 1969.

For commercial banks, the deductible additions to the reserves decreased in three transitional steps. The decrease was achieved over a period of years through a decline in allowable percentages of eligible outstanding loans. By 1983, the allowable percentage had been reduced to 0.6 percent. For small business investment companies, deductions for additions to the reserves, using an industry average as the norm, were permitted during the first 10 years of a company's existence. Thereafter, additions to the reserves had to be based on a corporation's own experience.

The reserve method of computing the deduction for bad debts was repealed for large banks and for small business investment companies by the Tax Reform Act of 1986. Thereafter, the deduction was to be based on actual losses for the current and 5 preceding years, using the specific charge-off method, the same as for other businesses.

A bank was treated as a large bank, for any taxable year beginning after December 31, 1986, if the average adjusted basis of all assets of the bank (or any controlled group, as defined under Code section 1563(c)(1), of which the bank was a member) exceeded \$500 million. The average adjusted basis was to be determined quarterly. Large banks were required to recapture the balance of their bad debt reserves over a period of four taxable years, beginning with the year of disqualification. The year of disqualification was the first taxable year after December 31, 1986 for which the bank was considered to be a large bank. A bank could suspend the recapture of its reserves for any year in which it was a financially troubled bank, as defined under Code section 585(c)(3)(B).

Specific rules governing the recapture of the bad debt reserve were provided. In the disqualification year, at least 10 percent of the balance in the reserve for bad debts was to be included in income. The remaining balance was to be recaptured at prescribed rates over three taxable years. A bank could elect to recapture more than 10 percent of the reserve in the disqualification year. If that election were made, different rates of recapture were prescribed.

An alternative to recapturing the reserve was available to a large bank in the disqualification year. An election could be made in the disqualification year to use a cut-off method of accounting for the reserve for bad debts. Members of a consolidated group could not make the election independently. Each bank, included in a consolidated income tax return, was obligated by the election (if made) by the consolidated group. As defined under Code section 585(c)(4), a bank using this method could maintain its reserve for bad debts but charge any losses resulting from loans held by the bank against the reserve. No deduction would be allowed for additions to the reserve account.

An option for computing the deduction for bad debts was available to mutual savings banks, domestic building and loans associations, cooperative banks and certain stock associations. Under the tax reforms of 1986, those organizations,

which met certain asset qualifications, could continue to use the reserve method. However, they could only deduct a maximum of 0.6 percent of an adjusted taxable income, provided it did not increase the reserve beyond 0.6 percent of the qualifying outstanding loans. For this purpose, taxable income was before the deduction for the bad debt reserve as specified under Code section 593(b)(2).

Amounts of recovered bad debts reported by corporations which deducted actual bad debts and the recapture of bad debt reserve accounts were included in the statistics for Other Receipts.

Branch Tax of Foreign Corporations

The U.S. earnings and profits of a foreign corporation became subject to a branch profits tax without consideration for the ratio of U.S. income to the total income of the foreign corporation, for tax years beginning after December 31, 1986. A 30 percent rate of tax was imposed on the earnings and profits as well as the interest paid by or to a foreign corporation from its trade or business activities conducted in the United States, that were not reinvested in a U.S. trade or business by the close of the tax year or were divested in a later tax year. The provisions under Code section 884 were introduced to lessen the disparity of U.S. taxation between U.S. corporations owned by foreign persons and foreign corporations doing business through their own unincorporated branches in the United States.

This provision of U.S. tax laws also required coordination with income tax treaties between the United States and foreign countries. Under tax treaties the tax rates could be lower than the 30 percent tax rate imposed by U.S. tax laws. The rate of tax varied based on the treaty conditions with the country in which the foreign corporation was a resident.

The branch profits tax was imposed on the dividend equivalent amount or the earnings and profits of a U.S. branch of a foreign corporation that was attributable to its income effectively connected (or treated as effectively connected under Code section 897) with a U.S. trade or business. The effectively connected earnings and profits were adjusted to identify changes in a branch's U.S. net equity under two circumstances: (1) to reflect any reinvestment of the branch's earnings in assets in the U.S. trade or business (or reduce liabilities in the U.S. trade or business); and (2) to reflect any prior reinvested earnings that were considered remitted to the home office of the foreign corporation.

Certain earnings and profits attributable to income effectively connected with a U.S. trade or business were exempt from the branch profits tax. The tax exempt earnings included: (1) certain earnings of a foreign sales corporation as described in Code sections 921(d) and 926(b); (2) earnings of foreign transportation carriers (such as ships and aircraft) that were exempt from U.S. tax by reciprocal exemption; (3) earnings derived from the sale of any interest in U.S. real property holding corporations; (4) interest income derived by

a possession bank from U.S. obligations as described in Code section 882(e); (5) earnings derived by certain insurance companies which elected to have income treated as effectively connected income; and (6) income of foreign governments and international organizations exempt under Code section 892.

The branch tax was the sum of the tax imposed on the earnings and profits and interest payments of the foreign corporation. The branch tax was reported on the Form 1120F U.S. Income Tax Return of a Foreign Corporation. The tax was included in Total Income Tax in the statistics. It was also shown separately in the statistics for foreign corporations with U.S. business operations in Tables 10, 11 and 20 of this report. The components of Branch Profits Tax (Part I) are also included separately in the statistics.

Business Receipts

Business receipts were, in general, the gross operating receipts of the corporation reduced by the cost of returned goods and allowances. Some corporations treated sales taxes and excise and related taxes, which were included in the sales price of their products, as part of their gross receipts from sales; others reported their receipts after adjustment for these taxes. In any case, the statistics reflected receipts, as reported by the taxpayers.

Business receipts included rents reported as a principal business income by real estate operators as well as by certain types of manufacturing, public utility, wholesale trade, retail trade and service corporations. The latter corporations included manufacturers that frequently rented rather than sold products, such as automatic data processing equipment; lessors of public utility facilities, such as docks, warehouses, and pipelines; and companies engaged in rental services, such as providing lodging places and the rental of automobiles or clothing. In the finance, insurance, and real estate industries, business receipts included such banking items as fees, commissions, trust department earnings, exchange collections, discounts, and service charges. Some companies reported these items on attached schedules as other income, not as business receipts. For such companies, the items were included in the statistics for business receipts, not for the other income. Condominium management fees reported by condominium management and cooperative housing associations were also included in business receipts.

Since interest was the principal operating income of banking and savings institutions, interest was included in the statistics for Interest and excluded from business receipts. Interest could be included in the statistics for business receipts within the finance industries, but only if it was not separately identified on the tax returns. Some banking institutions reported business receipts from the sale of Federal funds and included the purchase price of those funds as part of cost of sales and operations. For those companies, business receipts were reduced by the purchase price of those funds and the purchase price was excluded from Cost of Sales

and Operations.

Regulated Investment Companies and Real Estate Investment Trusts do not report business receipts. Also in the finance, insurance, and real estate industries, premium income of most insurance companies was included in business receipts. However, certain nonlife insurance companies could elect to be taxed on their investment income only, if their net written premiums or direct written premiums (whichever was greater) exceeded \$350,000 but not over \$1,200,000. Under this election the premium income was not reported. Consequently, total business receipts for insurance carriers could be slightly understated.

In addition to the income types described above which were uniquely treated by law, by the tax return, or for the statistics, there were certain other kinds of income from sales and operations that were not reflected in business receipts. In general, this income was included as part of the much broader category, sales of property used in trade or business. For additional information about this income see: Net Gain (or Loss), Noncapital Assets and Net Capital Gains.

Calendar Year Returns

Calendar year returns were those filed for the 12-month period beginning in January and ending in December. Most of the larger corporations filed returns for a calendar year period. Figure B in section 1 shows the percentage of returns filed for each of the accounting periods covered in this report.

Capital Stock

This end-of-year balance sheet equity item included amounts shown for outstanding shares of both common and preferred stock.

Cash

This balance sheet asset item included the amount of actual money or instruments and claims which were usable and acceptable as money on hand at the end of the taxable year.

Cash, Government Obligations, Tax-Exempt Securities, and Other Current Assets (*)

This items is shown in Tables 4 and 5 and consisted of cash, government obligations, tax-exempt securities, and other current assets. Each is described separately under its own heading in this section.

Compensation of Officers

Salaries, wages, stock bonuses, bonds, and other forms of compensation were included in this deduction item if they were identified as having been paid to officers for personal services rendered. Contributions to a 401(k) plan or a salary reduction (SEP) agreement were included in the statistics for Pension, Profit Sharing (etc.) Plans. Understatement was possible to the extent compensation was reported as part of another deduction item (such as an overall employee compensation figure) and, if not clearly identified, was in-

cluded in the statistics for Cost of Sales and Operations or Other Deductions. Directors fees reported elsewhere by the Corporation were not included in these statistics.

Consolidated Returns

Consolidated returns were income tax returns which contained the combined financial data of two or more corporations meeting the following requirements: (1) a common parent corporation owned at least 80 percent of the voting power of all classes of stock and at least 80 percent of each class of nonvoting stock (except stock which was limited and preferred as to dividends) of at least one member of the group; and (2) these same proportions of stock of each other member of the group were owned within the group.

Corporations electing to file consolidated returns in one year had to file consolidated returns in subsequent years, with certain exceptions. The consolidated filing privilege could be granted to all affiliated domestic corporations connected through stock ownership with a common parent corporation except: (1) regulated investment companies; (2) real estate investment trusts (REITs) who did not consolidate with qualified REIT subsidiaries; (3) corporations for which an election to be treated as a possessions corporation under Code section 936(e) was in effect; and (4) corporations designated tax-exempt under Code section 501.

Under Code section 1504(c) corporations could elect to include their domestic insurance companies in consolidated tax returns. There could be three separate components of this type of consolidated return:

- (a) noninsurance companies; (b) life insurance companies; and (c) property and casualty insurance companies.

A consolidated return, filed by the common parent company, was treated as a unit, each statistical classification being determined on the basis of the combined data of the affiliated group. Therefore, filing changes to or from a consolidated return basis affect year-to-year comparability of certain statistics (such as data classified by industry and size of total assets).

Constructive Taxable Income from Related Foreign Corporations

This item represented the sum of (1) includable income from Controlled Foreign Corporations and (2) foreign dividend gross-up. Includable income represents the income of foreign corporations that is taxable to the U.S. parent corporation, regardless of whether or not it is actually received. Foreign dividend gross-up is an amount of income, taxable to the U.S. parent, that equals the foreign tax deemed paid based upon both foreign dividends received and includable income from foreign corporations. For most purposes, a foreign corporation was considered controlled if more than 50 percent of its voting stock was controlled by U.S. persons, including domestic corporations, each of whom owned at least 10 percent of its voting stock.

Includable Income

The earnings and profits of a Controlled Foreign Corporation (CFC) became subject to U.S. taxation, prior to the Subpart F provisions, only when the income was actually distributed to the U.S. shareholders or repatriated to the United States. In many cases, those earnings and profits were not distributed to the shareholders, unlike the earnings and profits of domestic corporations. Because the earnings were being held undistributed outside the United States, the income from CFC's was not subject to U.S. tax.

The Subpart F provisions, instituted under Code section 952, drew certain earnings and profits of CFC's under the umbrella of U.S. taxation. The provisions required that the worldwide gross income of U.S. corporations include a portion of the undistributed earnings and profits from their CFC'S. Thus, the income of CFC's became subject to U.S. tax through deemed distributions to the U.S. shareholders.

The deemed distributions represented foreign income, that while not actually received by U.S. shareholders, was to be included in income subject to U.S. tax (i.e. includable income from Controlled Foreign Corporations). The includable income consisted of:

- (1) Subpart F income, defined below;
- (2) any previously excluded Subpart F income which had been invested in qualified assets in less developed countries, and which was either withdrawn from those countries or repatriated to the U.S. shareholders and therefore became taxable;
- (3) any previously excluded Subpart F income which had been withdrawn from foreign base company shipping operations;
- (4) any increase in Controlled Foreign Corporation earnings due to investment in U.S. property; and
- (5) factoring income, or income that arises from the sale or transfer of a receivable.

Subpart F income, defined in Code section 952, included:

- (1) income from premiums for insurance issued by foreign companies which were Controlled Foreign Corporations when the insurance was issued outside the country of incorporation of the CFC (as determined under Code section 953);
- (2) foreign base company income, which included:
 - (a) "foreign personal holding company income"- income derived from portfolio investments or from passive investments;
 - (b) "foreign base company sales income"- generally, sales income from personal property which was purchased or sold in a transaction involving a related corporation and:
 - (1) produced outside the country of incorporation of the CFC, and

- (2) used outside the country of incorporation of the CFC;
 - (c) "foreign base company services income" - in general, income from services performed or furnished for a related person, which included corporations, outside the country of incorporation of the Controlled Foreign Corporation, but with certain exceptions;
 - (d) "foreign base company shipping income" - in general, income derived from the use of aircraft or vessels in foreign commerce or income from the performance of services directly related to the use or sale of any such aircraft or vessels; and
 - (e) "foreign base company oil-related income" - in general, this was income from the non-extraction business activities, related to foreign oil or gas, which were conducted outside the foreign country where the oil or gas was extracted. The non-extraction business activities of the foreign corporation included processing, transporting, distributing, and selling oil or gas and derived products for use or consumption outside the foreign country in which the oil or gas was extracted. Also, income from the sale of assets used in the non-extraction business activities were included in the oil-related income.
- (3) income from participation in international boycotts not sanctioned by the United States;
- (4) illegal bribes, kickbacks, or other payments to a government official; and
- (5) income derived from any foreign country during any period for which a foreign tax credit would be denied for taxes paid to those countries, as described in Code section 901(j), (i.e. a government which was not recognized by the United States, with which the United States severed or did not conduct diplomatic relations, which provided support for international terrorism, and beginning January 1, 1988, the country of South Africa until specific requirements of the Comprehensive Anti-Apartheid Act of 1986 would be met).

Foreign Dividend Gross-Up

Foreign dividend gross-up was constructive taxable income to corporations which claimed a foreign tax credit. A U.S. corporation could claim a foreign tax credit for a share of the foreign taxes actually paid by its related foreign corporations, including its Controlled Foreign Corporations. The U.S. corporation's share of the total foreign taxes was proportionate to the ratio of the dividend received (actual or constructive) to the total earnings and profits of the related foreign corporation. The foreign taxes were treated as deemed paid by the U.S. corporation. In order to receive credit against U.S. tax, the foreign taxes deemed paid needed to be

included in the corporation's worldwide income as well. They were included in income as an increase to foreign dividends; a dividend gross-up. The dividend gross-up was the equivalent amount of the foreign taxes deemed paid by the U.S. corporation.

Constructive Taxable Income

Foreign dividend gross-up, resulting from foreign taxes deemed paid, and includable income from Controlled Foreign Corporations were combined and presented in the statistics as Constructive Taxable Income from Related Foreign Corporations. The components were presented separately in Table 20. Neither includable income from Controlled Foreign Corporations nor foreign dividend gross-up were included in the statistics for Total Receipts.

The statistics for Constructive Taxable Income from Related Foreign Corporations reflected variation in taxpayer reporting in certain cases. Some corporations reported foreign dividends received as includable income from Controlled Foreign Corporations, while others reported includable income from Controlled Foreign Corporations as foreign dividends received. Also, some corporations reported dividend gross-up for foreign taxes deemed paid as foreign dividends received, while others reported foreign dividends received as dividend gross-up. Still others incorrectly reported dividend gross-up for foreign taxes paid directly by the U.S. corporation. All foreign dividends were reported on the dividends received schedule of the U.S. income tax return, including actual and constructive receipts.

The statistics could have reflected these variations in taxpayer reporting, to the extent that the specific nature of the dividend was not identified on supporting schedules attached to the U.S. income tax return. However, when specifically identified elsewhere on the return, the amounts were included in the statistics for the type of foreign dividend, as specifically identified, rather than for the items as reported on the dividends received schedule.

Contributions or Gifts (*)

Contributions or gifts to charitable, religious, educational, and similar organizations were deductible under Code sections 170(c). In general, the deduction was limited to 10 percent of taxable income computed without regard to:

- (1) the deduction for contributions;
- (2) special deductions for dividends received and for dividends paid on certain preferred stock of public utilities;
- (3) any net operating loss carryback under Code section 172; and
- (4) any capital loss carryback to the tax year under Code section 1212(a)(1).

Also, certain additional adjustments were required in the case of life insurance companies. A corporation except a Personal Holding Company or a service organization could receive a larger deduction for contributing scientific property

used for research to an institution of higher education under Code section 170(e).

Charitable contributions over the 10 percent limitation could be carried forward to the next 5 tax years; however, the carryover was not allowed if it increased a net operating loss carryover.

The amount shown in the statistics included contributions identified as part of cost and sales and operations or capitalized under section 263A, as well as contributions reported as a business deduction.

Charitable contributions paid by S corporations were directly passed through to the shareholders, rather than indirectly as a business deduction. S corporations, Regulated Investment Companies and Real Estate Investment Trusts do not report contributions.

Cost of Sales and Operations

Cost of sales and operations generally consisted of the direct costs incurred by the corporation in producing goods or providing services. Included were costs of materials used in manufacturing; costs of goods purchased for resale; direct labor; and certain overhead expenses, such as rent, utilities, supplies, maintenance, and repairs. The valuation methods the corporation used to value its inventories consisted of:

- (1) cost;
- (2) cost or market value (whichever was lower); or
- (3) any other method that was approved by the Commissioner of Internal Revenue.

Many items that were allowable deductions prior to the 1986 tax reforms were required to be capitalized or included in inventory under the 1986 I.R. Code. Uniform capitalization rules of Code section 263A resulted from the 1986 tax reforms and were generally effective for taxable years beginning after December 31, 1986. With respect to inventory, some of the indirect costs which were required to be capitalized included such items as: administration expenses; taxes; depreciation; insurance costs, compensation paid to officers attributable to services; rework labor; and contributions to pension, stock bonus, and certain profit sharing, annuity, or deferred compensation plans. Corporations which were subject to the rules were required to capitalize direct costs and an allocable portion of most indirect costs that related to the assets produced or acquired for resale. Special rules were provided for the capitalization of interest expense paid or incurred in the course of production. The uniform capitalization rules also applied to the production of property constructed or improved for use in a trade or business or in an activity engaged in for profit. Corporations were required to revalue their beginning inventory to reflect the costs under Code section 263A, which were not previously included in inventory.

The rules did not apply to personal property acquired for resale for corporations with annual average gross receipts of

\$10,000,000 or less; to timber; to property produced under a long-term contract. Special rules were provided for farmers.

Sales taxes and excise and related taxes may have been reported in cost of goods sold schedules when corporations treated these taxes as part of the sales price of products. When taxes were identified in cost of goods sold schedules, they were added to the statistics for the separate deduction for Taxes Paid. Similarly, expenses for advertising, amortization, bad debts, compensation of officers, contributions to charitable organizations, contributions to employee benefit programs, contributions to pension plans, depletion, depreciation, intangible drilling costs, interest, and rent of buildings or real estate, were transferred to their respective deduction categories when identified on attachments for cost of goods sold.

For companies engaged in manufacturing or trade activities, if gross receipts were reported a cost of sales or operations was imputed if not reported. The cost was imputed using attachments for "Other Deductions". For other nonfinance industries, a cost was imputed only for companies which reported gross receipts and included inventories on the balance sheet. Prior to 1992 a cost was imputed for all nonfinance companies which reported gross receipts but no cost of sales or operations.

See also Business Receipts.

Cost of Treasury Stock

This item was the total value of issued common or preferred stock which had been reacquired and was held at the end of the accounting year by issuing corporations. The stock, which was available again for resale or cancellation, may have been purchased by the corporation or acquired through donation or as settlement of a debt. Treasury stock was not a part of capital stock outstanding and did not include unissued capital stock.

The amounts shown may be somewhat understated. Treasury stock intended for resale may have been reported as an asset on some tax returns and, if not clearly identified as for resale, would have been included in the statistics for Other Investments. When identified, though, such stock was included in the statistics for Cost of Treasury Stock.

Credit for Federal Tax on Fuels

Code section 34 allowed a credit in full or in stated amounts for excise taxes on:

- (1) gasoline used on farms for farming purposes (Code section 6420);
- (2) gasoline used for nonhighway purposes or by local transit systems (Code section 6421); and
- (3) fuel not used for taxable purposes (Code section 6427); such as, on the sale of fuel when tax has been imposed under section 4041(a) or (e) and the purchaser uses such fuel other than for the use for which sold, or resells such fuel.

It was also used to claim the credit for purchase of qualified diesel-powered highway vehicles.

These taxes could be applied as a credit against income tax liability or could have been, under certain conditions, refunded directly.

Credit for Tax Paid by Regulated Investment Companies

Regulated investment companies were required to pay tax at the 34 percent rate on amounts of undistributed net long-term capital gain less net short-term capital loss. Stockholder corporations, for their part, were required to include in the computation of their long-term capital gains any such gains designated by the parent as undistributed dividends. The stockholder corporations were then deemed to have paid the tax on the undistributed long-term capital gain dividends and were allowed a credit (or a refund) for the tax they were deemed to have paid. It was this credit which comprised this item.

Credit to 1993 Estimated Tax (*)

This was the amount of the taxpayer's overpayment designated to be applied to his estimated tax for the 1993 Tax Year.

Deficit

See Net Income (or Deficit).

Depletable Assets

Depletable assets represented, in general, the gross end-of-year value of mineral property, oil and gas wells, other natural deposits, standing timber, intangible development and drilling costs capitalized, and leases and leaseholds, each subject to depletion. Accumulated depletion represented the cumulative adjustment to these assets shown on the corporation's books of account. In some instances, depletable assets may have been included with Depreciable Assets, or may have been reported as land or as Other Investments by the taxpayer, and could not be identified for this report.

The value of depletable assets and accumulated depletion may not be closely related to the current year depletion deduction. The depletable assets and accumulated depletion balance sheet accounts reflected book values; the depletion reflected the amount claimed for tax purposes.

Depletion

This deduction was allowed for the exhaustion of mines, oil and gas wells, other natural deposits and timber. For standing timber, depletion was computed on the basis of cost. In the case of natural deposits, the depletion was computed either on the basis of cost or upon a fixed percentage of the gross income, less rents and royalties, from the depletable property.

Generally, for gas and oil wells the gross income was the actual sales price, or representative market or field price if the gas or oil were later converted or manufactured prior to sale. For other natural deposits, gross income was defined to

include income from mining or extraction and certain treatment processes as well. Additionally, exploration expenditures, previously deducted, were required under provisions of Code section 617, to be recaptured or included in income when the mine reached the production stage. Under elective provisions of the Code, exploration and development expenditures connected with certain domestic natural deposits (except gas and oil) could be deducted currently, treated as deferred expenses, or capitalized. The write-offs of deferred amounts were not included in the statistics as part of depletion. Excluded in the statistics were amounts of depletion shown by the corporation as a deduction in computing net gain or loss from sale of depletion assets, except timber, under Code section 631(a).

Percentage depletion, though based on percentages of gross income from depletable property, was limited. Generally, it could not exceed 50 percent of the taxable income from the property computed without the depletion deduction. Percentage rates of gross income for each type of natural deposit were listed in Code section 613 and ranged from 5 to 25 percent. Percentage depletion could not generally be used for oil and gas wells, except for certain small producers as defined under Code section 613A. For oil and gas properties, the net income limitation on percentage depletion increased from 50 to 100 percent of the property's net income. In addition, the percentage depletion rate for marginal oil or gas production properties increased during periods where the price of crude oil or natural gas was sufficiently low this increase was one percent (up to a maximum 25 percent rate) for each whole dollar that the reference price for crude oil for the preceding calendar year was less than 20 dollars per barrel.

As explained under Net capital gains, the cutting of timber was eligible for net long term capital gain treatment under Code section 1231. If timber depletion was used in the computation of gain (or loss), it could not be identified for the statistics. Because of taxpayer reporting variations involving the computation of gain or loss, or of gross receipts from sales (and the cost of sales and operations or depletion deduction), the depletion statistics may be incomplete for industries in which sales of cut timber or of lumber or wood products are a major source of income. The amounts shown in the statistics included any identifiable depletion reported as part of the cost of sales and operations or capitalized under section 263A. Amortization of Intangible Drilling Costs is not included in the statistics but is part of Other Deductions. For 1120-A corporations depletion reported in Other Deductions or an attached schedule is included in these statistics.

Regulated Investment Companies and Real Estate Investment Trusts do not report depletion.

See also Alternative Minimum Tax.

Depreciable Assets

Depreciable assets, reported on the corporation's end-of-year balance sheet, consisted of tangible property

(such as buildings and equipment) which was used in the trade or business or held for the production of income and which had a useful life of one year or more. The statistics for this item could include fully depreciated assets still in use and partially completed assets for which no deduction was allowed, when the corporation reported them as depreciable in its balance sheet. The statistics for depreciable assets exclude those intangible assets which were depreciable or amortizable only for tax purposes. Such assets, patents and copyrights for example, were includable in Intangible Assets. The amounts shown as accumulated depreciation represent the portion of the assets that were written off in the current year, as well as in prior years. In general, depreciable assets were the gross amounts before adjustments for depreciation or amortization charged in current and prior years. Some corporations, however, reported only the net amount of depreciable assets after adjusting for these depreciation or amortization charges. Certain insurance companies were included among the corporations which reported only a net amount of depreciable assets. Life insurance companies and some property and casualty insurance companies reported their balance sheet information in the format required by State insurance regulations. This format usually provided for the reporting of only net depreciable assets and only the home and branch office buildings and equipment were included. Other real estate holdings of these corporations were reported as other investments.

Generally, the value of depreciable assets and accumulated depreciation were not closely related to the current-year depreciation deduction. The depreciable assets and accumulated depreciation balance sheet accounts reflected book values; the depreciation deduction reflected the amount claimed in the current year for tax purposes.

Depreciation (*)

The Tax Reform Act of 1986 introduced the Modified Accelerated Cost Recovery System (MACRS) and changed the rules for section 179 property for property placed in service after December 31, 1986. Section 179 property is property that meets certain conditions and therefore can be expensed in the year the property was first utilized instead of depreciated over several years. The maximum amount of allowable section 179 expense was increased to \$10,000. However, if total cost for section 179 property placed in service after December 31, 1986 was more than \$200,000, then the total expense deduction was to be reduced by the amount by which the cost exceeded \$200,000. For tax year 1989, the taxpayer was required to provide additional information regarding the section 179 expense deduction, including the carryover of disallowed deduction from the prior year, the carryover of the disallowed deduction to 1990, and the computation of the taxable income limitation under section 179(b)(3).

Taxpayers who use the MACRS depreciation rules also had to recompute their depreciation for purposes of figuring their minimum tax. There were eight classes of recovery

property under MACRS using the General Depreciation System (GDS) or the Alternative Depreciation System (ADS) and reported on Form 4562-Depreciation of Property Placed in Service After December 31, 1986. They included: 3-, 5-, 7-, 10-, 15-, 20- year property, residential rental property and nonresidential real property. Generally, the first six classifications were for depreciable property, other than buildings while the last two were real property, or buildings. The 3-year class included tangible depreciable property with a class life of 4 years or less, 5-year property included property with a class life of more than 4 years, but less than 10 years. For example, computers or peripheral equipment would be classified as 5-year property under GDS. The 7-year property had a class life of 10 years or more, but less than 16 years; this class also included any property which did not have a class life and which had not been designated by law as being in any other class. Office furniture, for example, would be classified as 7-year property under GDS. The property in the 10-year class included property with a class life of 16 years or more, but less than 20 years. The 15-year property had class lives of 20 years or more, but less than 25 years; and the 20-year property included class lives of 25 years or more.

The prescribed method for General Depreciation System (GDS) property in the 3-, 5-, 7-, or 10- year classes was a method called 200 percent declining balance over 3, 5, 7, or 10 years, switching to the straight-line method for the first taxable year in which that method resulted in a higher deduction. For property in the 15- or 20- year class, the 150 percent declining balance method over 15 or 20 years was prescribed. In both cases, a half-year convention (half-year's depreciation for the first year in service, no matter when in the tax year the property was acquired) had to be used.

If more than 40 percent of the total cost or other basis of all property placed in service during the tax year was placed in service during the last 3 months of that year, then the mid-quarter convention must be used for all property placed in service during the year. This rule did not apply to nonresidential real property or residential rental property. For residential rental property the prescribed method was straight-line over 27.5 years and for non-residential real property, straight-line over 31.5 years. The applicable convention was the mid-month convention which treated all property placed in service during any month as placed in service on the mid-point of such month.

Instead of using the prescribed method, the Alternate Depreciation System (ADS), primarily requiring the straight-line method, could be elected. The recovery period for computing ADS was based on the class life: 12 years for personal property with no class life, 40 years for nonresidential real property or residential rental, and the class life for all other property. The election to use the straight-line method for a class of property applied to all property in that class that was placed in service during the tax year of the election. For all classes and methods, salvage value was treated as zero.

The taxpayer could also make an irrevocable election to

use the 150 percent declining balance method for one or more classes of property (except for residential rental, nonresidential real property or any tree or vine-bearing fruit or nuts). If this election was made, then the recovery periods would follow the ADS system.

Depreciation on tangible assets first placed in service after 1980 and before 1987 was to be determined under the Accelerated Cost Recovery System (ACRS), except to the extent that the property did not qualify as recovery property. If a corporation had a binding contract on a piece of property before the MACRS rules went into effect, but did not place the property in service until the 1988 accounting period, the property was considered transition property. The ACRS rules were applied for depreciation. For 1988, ACRS property placed into service in prior years was combined with other depreciation and reported as one item. Whereas, prior year MACRS property was reported separately from the current year. Under ACRS, the cost of eligible property was recovered over a 3-, 5-, 10-, 15-, 18-, or 19-year period, depending on the type of property.

The deduction was determined by applying the statutory percentage for the appropriate class of property to its unadjusted basis. An Alternate Depreciation System, a straight-line method, could have been used for 3-, 5-, and 10-year property using a half-year convention. The Alternate System could have also been elected for 15-, 18-, or 19-year real property and low income housing property, but the mid-month convention applied.

There were five types of property that had to be depreciated under ADS using the straight-line method: (1) property used mainly outside the U.S., (2) tax-exempt use property, (3) property financed by tax-exempt obligations, and (4) certain imported property, and (5) any property used primarily in a farming business and placed in service when a section 263A (d)(3) election was made.

Automobiles, which are listed property, have certain limits on the annual depreciation that is allowed. The limitations, which vary depending on the recovery year, were increased for automobiles placed in service during 1992 due to an inflation adjustment.

Disabled Access Credit

The credit was allowed to small businesses that incurred expenses to make their business accessible to disabled individuals. An eligible small business was one with either gross receipts of less than \$1 million for the preceding tax year or not more than 30 full-time employees in the preceding tax year.

An eligible expenditure was one paid or incurred by an eligible small business in order to comply with the requirements of the Americans with Disabilities Act of 1990. Expenditures included: (1) removing architectural, communication, physical, or transportation barriers; (2) providing qualified interpreters or other methods of delivering materials to

individuals with hearing impairments; (3) providing qualified readers, taped texts, or other methods of delivering materials to individuals with visual impairments; (4) acquiring or modifying equipment or devices for individuals with disabilities; or (5) providing other similar services, modifications, materials or equipment. The amount of the credit was 50% of the amount of the eligible expenditures for a year that exceeded \$250 but did not exceed \$10,250.

The disabled access credit was claimed as one of the components of the general business credit. For a discussion of the income tax limitations and carryback and carryforward provisions of the credit, see General Business Credit, in this section. The disabled access credit was included (as a component) in the general business credit shown in the tables. The components of the general business credit were shown separately in Table 21.

Dividends Received from Domestic Corporations

Dividends received from domestic corporations represented most distributions from current as well as accumulated earnings and profits of companies incorporated in the United States. (For a discussion of other distributions of domestic corporations, see Other Receipts in this section.) For the most part, dividends received from domestic corporations represented those recognized in computing the special deduction from net income for domestic intercorporate dividends received. (See also Statutory Special Deductions.)

Dividends from Interest Charge Domestic International Sales Corporations (IC-DISC's) and from former Domestic International Sales Corporations (DISC's) that were deductible were included as domestic dividends received. Certain other dividends, not deductible, were treated for the statistics as Other Receipts.

For most of the domestic dividends received, the deductible portion was equal to either (1) 70 percent if the dividends were from less than 20 percent owned domestic corporations, or (2) 80 percent if the dividends were from 20 percent or more owned domestic corporations (ownership is determined by the voting power and value of the stock of the issuing corporation). However, the deduction was equivalent to about 50 percent of the dividends received on certain preferred stock of public utilities. A 100-percent deduction was allowed for dividends received by members of a controlled group from other members of the same controlled group when a consolidated return was not used to report for the group as a whole. This deduction was allowed when the group did not elect to file a consolidated return and agreed instead to apportion a single tax bracket exemption amount among the group members in computing income tax.

Dividend distributions among member corporations electing to file a consolidated return were eliminated from the statistics as part of the consolidated reporting of tax accounts. For tax purposes, dividends reported on these returns repre-

sented amounts received from corporations that were outside the tax-defined affiliated group.

Under provisions of the 1984 Tax Reform Act corporate shareholders reduced the deduction for dividends received on debt-financed portfolio stock. The provision generally reduced the deduction for dividends received on debt-financed portfolio stock so that the deduction was available, in effect, only with respect to dividends attributable to that portion of the stock which was not debt financed. Generally, this was accomplished by determining the percentage of the cost of an investment in stock which was debt financed and by reducing the otherwise allowable dividends received deduction, with respect to any dividends received on that stock, by that percentage. The reduction in the amount allowable as a dividends received deduction could not exceed the amount of interest deduction allocable to the dividend. This amount was reported as part of domestic dividends even though it also represented debt-financed stock of foreign corporations.

Dividends Received from Foreign Corporations

These dividends were paid from current as well as accumulated earnings and profits of companies incorporated in foreign countries.

Dividends received from foreign corporations consisted of:

- (1) dividends, subject to (1) the 70 percent deduction when received from less than 20 percent owned foreign corporations and certain FSC's, or (2) the 80 percent deduction when received from 20 percent or more owned foreign corporations and certain FSC's;
- (2) dividends, subject to the 100-percent deduction, received by U.S. corporations from wholly-owned foreign subsidiaries all of whose gross income was effectively connected with the conduct of a U.S. trade or business, or received from a FSC when the dividends were from earnings and profits attributable to foreign trade income; and
- (3) any other foreign dividends, not subject to a deduction, which included dividends out of foreign earnings and profits and certain gains from the sale, exchange, or redemption of Controlled Foreign Corporation stock.

Because foreign dividend gross-up and includable income from Controlled Foreign Corporations were not actual receipts, for statistical purposes, they were excluded from dividends received. Both were combined and presented in the statistics as Constructive Taxable Income from Related Foreign Corporations.

The statistics for foreign dividends received reflected variation in taxpayer reporting in certain cases. Some corporations reported foreign dividends received as includable income from Controlled Foreign Corporations, while others

reported includable income from Controlled Foreign Corporations as foreign dividends received. Also, some corporations reported dividend gross-up for taxes deemed paid as foreign dividends received, while others reported foreign dividends received as dividend gross-up. All foreign dividends, actual and constructive, were reported on the dividends received schedule of the U.S. income tax return.

These variations in taxpayer reporting could have been reflected in the statistics, to the extent that the specific nature of the dividend was not identified on supporting attachments to the tax return. However, when specifically identified elsewhere on the return, the amounts were included in the statistics for the type of foreign dividend, as specifically identified, rather than for the items as reported on the dividend received schedule.

Employee Benefit Programs

Contributions made by employees to such plans as death benefit plans, insurance plans, health plans, accident and sickness plans, and other welfare plans were deductible under Code sections 419 and 419A. Generally, such programs were not an incidental part of a pension, profit sharing plan or other funded deferred compensation plan. Deductions for a welfare benefit fund were limited to the qualified cost of the fund for the taxable year, as described under Code section 419. Direct payments for employees' welfare were not included as employee benefits; only payments into a fund for employee benefits were included.

Included in the statistics for this item were amounts identified as part of the cost of sales and operations, or capitalized under section 263A. Regulated Investment Companies and Real Estate Investment Trusts do not report employee benefits. Some mining companies could have reported an amount for a combination of welfare/retirement plans. When identified, the combined amount was included in the statistics for contributions to employee benefit plans.

For all 1120-A corporations, employee benefit programs identified in Other Deductions or attached schedules were included in the statistics for employee benefit programs.

Enhanced Oil Recovery Credit (*)

This credit was allowed to taxpayers who incurred qualified enhanced oil recovery costs and did not elect to decline the credit. An enhanced oil recovery project was any project that was contingent on all the following conditions:

- (1) involved one or more tertiary recovery methods: these methods could reasonably be expected to result in a significant increase in the amount of crude oil which would ultimately be recovered;
- (2) was located in the United States;
- (3) began the injection of liquids, gases, or other matter after December 31, 1990; and
- (4) was certified by a petroleum engineer for credit eligibility.

Enhanced oil recovery costs were costs integral to the project with respect to depreciation and amortization, any intangible drilling costs which were paid or incurred in connection with the qualified project with respect to any election made under section 263(c), or any qualified tertiary injectant expenses which were paid or incurred in connection with the qualified project. The amount of the credit was an amount equal to 15 percent of the taxpayer's qualified enhanced oil recovery costs for the taxable year. The credit would be phased out as the crude oil prices increased.

Beginning in 1991, an enhanced oil recovery credit was available for up to 15 percent of qualified costs attributable to qualified domestic enhanced oil recovery projects, and was claimed as one of the components of the general business credit. The amount of the credit allowable will be phased out as the average wellhead price of uncontrolled domestic oil rises from 28 dollars to 34 dollars per barrel.

The enhanced oil recovery credit was claimed as one of the components of the general business credit. For a discussion of the income tax limitations and carryback and carryforward provisions of the credit, see General Business Credit, in this section. The enhanced oil recovery credit was included (as a component) in the general business credit shown in the tables. The components of the general business credit were shown separately in Table 21.

Environmental Tax

Corporations were required to pay the environmental tax, as a result of the Superfund Amendments and Reauthorization Act of 1986. The requirements for this tax were provided under the Code section 59A. The tax was based on a modified alternative minimum taxable income of the corporation in excess of \$2,000,000. (Members of a controlled group of corporations were entitled to one \$2,000,000 exemption.) The amount of the excess income was subject to a 0.12 percent rate of tax. The modified alternative minimum taxable income was alternative minimum taxable income without consideration for the alternative tax net operating loss deduction and the allowable deduction from income for the environmental tax. For an explanation of alternative minimum taxable income, see Alternative Minimum Tax. For purposes of determining the regular tax, the amount of the current year environmental tax was allowed as a deduction from the current year gross income under Code section 164 (a). In general, the environmental tax was effective for taxable years beginning after December 31, 1986 and before January 1, 1992.

Estimated Tax Payments

Corporations not exempt from taxation were required to make quarterly tax payments if the estimated tax for the taxable year was expected to be \$500 or more. The tax was estimated by applying the regular graduated corporate tax rates to the expected taxable income for the taxable year (personal service corporations estimated their tax using a flat 34 percent tax rate), then the excess of the regular tax (estimated) over the amount

the corporation estimated as the sum of credits against regular tax (including credits for foreign taxes, possessions tax, production or sale of nonconventional source fuels, orphan drug research, general business incentives, and prior year minimum tax) plus any recapture tax of investment credit or of low income housing credit, alternative minimum tax, environmental tax minus credit for Federal tax on fuels. The lesser of 90 percent of the estimated tax for the current taxable year or 100 percent of the tax due on the previous year return was used to calculate the installment payments.

Estimated tax payments shown in this report may be somewhat less than the legal maximum percentages of tax due because, under the provisions of Code section 6655, certain tolerances were allowed in the relationship of the installment payments to the tax. For example, a corporation was not required to pay an estimated tax greater than the amount of tax liability for the previous year provided that the corporation had a tax liability for the previous year. Besides the limitations based on law, payments shown in the statistics may be slightly understated because of taxpayer reporting variations and the inability to identify all of the amounts from the tax returns. Separate statistics were presented for the components of net estimated tax payments which include 1990 overpayments claimed as a credit, 1991 estimated tax payments, and refund of estimated tax payments.

Excess Net Passive Income Tax

The Subchapter S Revision Act of 1982 imposed a limitation on passive income for S corporations which had accumulated earnings or profits from prior subchapter C status. A tax was imposed on the net passive income in excess of 25 percent of gross receipts. The income was taxed at the regular corporate tax rate of 34 percent. Passive investment income, in general, was gross receipts derived from rents, royalties, dividends, interest, annuities, or the sales or exchange of stock or securities.

Prior to 1982 under Code section 1372, an S corporation was generally not allowed to have passive investment income greater than 20 percent of its gross receipts unless that taxable year was the first or second year the corporation commenced the active conduct of any trade or business or the passive investment income for such taxable year was less than \$3,000.

Foreign Tax Credit

Code section 901 allowed a credit against the U.S. income tax for income, war profits and excess profits taxes paid or accrued to foreign countries or U.S. possessions including Puerto Rico. When determining the foreign tax credit, income, deductions pertaining to foreign branches, and section 863(b) activities were included in the computation of worldwide income. These had been excluded in previous years.

The credit could be claimed by domestic corporations, by foreign sales corporations (FSC's) for taxes paid on the foreign trade income, and also by foreign corporations engaged in trade or business in the United States for taxes paid

on income effectively connected with the U.S. business. Additionally, stockholders of Interest Charged Domestic International Sales Corporations (IC-DISC's) and former Domestic International Sales Corporations (former DISC's) could claim a credit for foreign taxes paid by a DISC. However, all FSC's, IC-DISC's and former DISC's are excluded from the SOI sample.

The credit was not allowed for S Corporations because their income was primarily taxed through their shareholders. These corporations also had to exclude any foreign taxes paid or accrued from the deduction for taxes paid in computing their net income from trade or business activities. Instead, the foreign taxes were passed through to the shareholders for their use as a foreign tax credit (or a deduction).

The credit was also not allowed for regulated investment companies which elected under Code section 853 to allow their stockholders to claim the credit for the foreign taxes paid. (Under this election, these companies also excluded foreign taxes paid or accrued from the deduction for taxes to compute net income.) However, if the election were not made, the regulated investment company could claim the foreign tax credit.

A corporation that claimed the foreign tax credit could not also claim a business deduction for the same foreign taxes paid. The credit could be reduced for taxes paid on foreign income from operations involving participation or cooperation with an international boycott. The U.S. income tax which could be reduced by the credit excluded the recapture taxes for investment credit and low-income housing credit, the alternative minimum tax, the Personal Holding Company tax and the environmental tax.

After 1986, the foreign tax credit was computed separately for foreign taxes paid or accrued with respect to nine categories of income. These were: (1) passive income; (2) high withholding tax interest; (3) financial services income; (4) shipping income; (5) dividends from each noncontrolled section 902 corporation; (6) dividends from a DISC or former DISC; (7) foreign trade income of a FSC; (8) distributions of a FSC or former FSC; and (9) all other income from sources outside the United States. For each category, the credit was computed subject to a limitation which prevented the corporations from using foreign tax credits to reduce U.S. tax liability on U.S. sourced income. This limitation was determined using the overall method.

Using the overall method the credit was limited to that percentage of the total U.S. income tax against which the credit was allowed as represented by the ratio of taxable income from foreign sources to worldwide taxable income. The taxpayer totaled the taxes paid to all foreign countries and possessions which was then subjected to a limitation computed by multiplying the U.S. tax liability by a fraction where the numerator consisted of taxable income from foreign sources (after relevant deductions) and the denominator was worldwide taxable income. The limitation fraction is not

permitted to exceed 1.00 for any separate limitation and was applied separately for each income category.

Foreign taxes in excess of the limitation for any one year could be carried back, chronologically, to the 2 preceding years and then carried over to the 5 succeeding years to reduce income tax, subject to the foreign tax credit limitation of the years to which they were carried under section 904(c).

The foreign tax credit was not allowed for taxes paid to certain foreign countries whose government was not recognized by the United States, with which the United States severed or did not conduct diplomatic relations, or which provided support for international terrorism. No foreign tax credit was allowed for foreign taxes paid or accrued to South Africa after December 31, 1987. Foreign tax credit figured and reported for alternative minimum tax purposes was not included in these statistics.

General Business Credit

The general business credit consisted of a combination of seven individual credits - investment credit (Form 3468), jobs credit (Form 5884), alcohol fuels credit (Form 6478), research credit (Form 6765), low-income housing credit (Form 8586), disabled access credit (Form 8826), and enhanced oil recovery credit (Form 8830). The orphan drug credit, which was also reported on Form 6765, was not included as part of the general business credit. If a corporation claimed more than one of these credits, reported a carryforward, or had credits from a passive activity, Form 3800 was to be filed with the income tax return.

The purpose of the general business credit was to provide a uniform limitation on the amount that could be used to reduce tax liability and to establish uniform rules for carrybacks and carryforwards. Each of the seven credits was computed separately. The total of the credits became the general business credit for the purpose of applying the maximum tax liability rules and the carryback and carryforward rules.

Generally, S corporations computed these credits at the corporate level, the credits were then passed through to the shareholders. The regular investment credit and energy investment credit were exceptions. The S corporation reported the basis in the qualifying property to each shareholder. The shareholders themselves computed the regular investment and energy investment credits. However, S corporations which were previously C corporations could use business credit carryforwards to reduce tax on their net recognized built-in gains.

Effective for tax years beginning after December 31, 1985, the general business credit reduced the tax liability to the extent of 100 percent of the first \$25,000 of net-tax-liability and 75 percent of the net tax liability over \$25,000. An additional limitation was also imposed on the general business credit as a result of the alternative minimum tax introduced by the Tax Reform Act of 1986.

When the credit exceeded the "\$25,000-plus-75 percent" limitation in any year, or the excess of income tax liability over tentative minimum tax, the excess became an unused business credit. An unused business credit could be carried back to the three years preceding the unused credit year and forward to the 15 years following that year. An amount of carryforward of the general business credit was shown separately in Table 21, as a component of the general business credit. Use of carryback provisions would require that a prior year return be amended. Amended returns were not included in the corporate sample. Therefore, any changes in tax liability due to carryback of unused business credits were not reflected in the statistics.

Income Subject to Tax

Because of the different types of corporations, U.S. tax was imposed on a variety of corporate tax bases. These were the taxable income bases defined by Code section 63, used by the majority of corporations to which the tax rates applied: the tax base of S corporations electing to be taxed through their shareholders; the tax bases applicable to life and nonlife insurance companies; and the amounts taxable to regulated investment companies and real estate investment trusts. Most of these tax bases were represented in the statistics for Income Subject to Tax.

For most corporations, income subject to tax consisted of net income minus certain statutory special deductions (described in this report under a separate heading). However, there were certain exceptions. In some cases, the statutory special deductions for dividends received and for dividends paid on certain preferred stock of public utilities exceeded net income. For those returns, income subject to tax was reduced to zero and the excess of the two special deductions became the statutory loss for the year. This current year statutory loss became available for a net operating loss deduction over the prescribed carryback and carryover periods.

Also, the tax bases of life insurance companies, regulated investment companies, and real estate investment trusts were not defined as net income less statutory special deductions. For S corporations with a limited tax liability on capital gains, the statistics for income subject to tax represented the ordinary income from the normal business activities of the corporation. No special deductions were allowed to reduce this income.

For the life insurance companies, net income was derived from gain or loss from operations to which statutory special deductions were added back; income subject to tax was gain from operations (which included statutory special deductions) less (if applicable) the small life insurance company deduction. To this amount were added: (1) amounts resulting from the limitation of noninsurance losses, and (2) amounts subtracted from the policyholders' surplus account (which contained income nontaxable in the year earned, but taxable later on when withdrawn from this reserve account).

In addition, the life insurance company provisions applied

to life insurance departments of certain banking institutions, where the departments were separately taxed from the remainder of the banks. However, data for the banking and life insurance departments were combined in the statistics.

Provisions under Code section 1504(c) allowed corporations to elect to include their domestic insurance companies in a consolidated tax return. There could be three separate components of this type of consolidated return:

- (a) noninsurance companies;
- (b) life insurance companies; and
- (c) property and casualty insurance companies.

For companies which elected to file a consolidated return under Code section 1504(c), the income tax was based on the consolidated amount of income subject to tax. Net income in the statistics represented the aggregate for the separate components of the consolidation. However, specific limitations were imposed on the use of nonlife business activity losses as an offset to life insurance gains for the purpose of computing income subject to tax and income tax. As a result, a consolidated return under Code section 1504(c) with a net deficit could report income subject to tax.

In the case of regulated investment companies, any undistributed income, other than undistributed long term capital gains, was included in the statistics for income subject to tax. This portion of the undistributed income was taxed at the normal graduated corporate tax rates. Any net long-term capital gain (reduced by net short-term capital loss) which was not distributed to stockholders was taxed at a flat 34 percent rate. The undistributed portion of the long-term capital gains were excluded from the statistics for income subject to tax.

See also, Income Tax.

Income Tax

The maximum corporate regular tax rate was reduced to 34 percent, under the Tax Reform Act of 1986. The benefit of a graduated tax rate was phased out for income over \$100,000. The number of tax brackets was reduced to three. For tax years which began on July 1, 1987 and thereafter, the corporate taxable income brackets and regular tax rates were:

Taxable Income	Tax Rate
Not over \$50,000	15
Over \$50,000 but not over \$75,000	25
Over \$75,000	34

An additional 5 percent tax was imposed on income in excess of \$100,000. The maximum additional tax was \$11,750. Corporate taxable income in excess of \$335,000 was in effect subject to a regular flat tax rate of 34 percent.

Prior to the Tax Reform Act of 1986, for corporations with net long-term capital gains, an alternative method of tax

computation was advantageous if using the alternative method resulted in a lower tax liability than the liability would have been using the regular method. The alternative tax on capital gains was repealed by the 1986 Tax Reform Act. Generally, after July 1987, capital gains were included in taxable income and taxed at the normal graduated corporate tax rates, except for S corporations and regulated investment companies. However, as provided by the Technical and Miscellaneous Revenue Act of 1988, any gain recognized by a qualified life insurance company on the redemption of certain market discount bonds were subject to tax at the rate of 31.6 percent. (See Income Subject to Tax.)

For corporations which elected to be treated as S corporations, an income tax was imposed on certain long-term capital gains, as well as recognized built-in gains and excess net passive income of companies which were formerly C corporations. The tax liability was not passed through to the shareholders of the corporation. The taxes paid on capital gains or recognized built-in gains by S corporations were included in the corporate statistics as regular income tax. The taxes paid on excess net passive income were included in total income tax but were excluded from regular income tax. A small number of corporations without net income had an income tax liability. The tax from those returns was included in the statistics as regular income tax. The tax resulted from:

- (1) special statutory provisions applicable to life insurance businesses;
- (2) the provisions under Code section 594 allowing certain banking institutions with life insurance departments to compute tax separately from the bank activity; and
- (3) the provisions under Code section 1504(c) allowing corporations to elect to include their domestic insurance companies in consolidated tax returns with the following components:
 - (a) noninsurance companies;
 - (b) life insurance companies; and
 - (c) property and casualty insurance companies.

For companies which elected to file a consolidated return under Code section 1504(c), net income in the statistics represented the aggregate for the separate components of the consolidation. The income tax was based on the consolidated taxable income. Specific limitations were imposed on the use of nonlife business activity losses as an offset to life insurance gains for the purpose of computing income subject to tax and income tax. As a result, a consolidated return under Code section 1504(c) with a net deficit could report income subject to tax and income tax.

Income tax, or regular tax in the statistics, was the amount of tax before reduction by tax credits for: foreign taxes, possessions tax, orphan drug research, the production or sale of fuels from nonconventional sources, general business incentives, and the prior year minimum tax. Income tax was

shown separately as regular tax and included in total income tax in the statistics.

Some adjustments were made to income tax returns by the taxpayer due to the election of bank holding companies to pay in installments the tax attributable to the sale of certain assets whose divestiture is certified by the Board of Governors of the Federal Reserve System; interest on tax attributable to payments received on installment sales of certain timeshares and residential lots; interest on tax deferred under the installment method for certain non-dealer installment obligations; and deferred tax amount for shareholders in a passive foreign investment company that received an excess distribution or disposed of its investment during the year.

Adjustments made to income tax returns after they were filed could affect the final tax liability and the tax due. Such adjustments were not reflected in the statistics. Adjustments could result from tax examination or the use of carryback provisions for:

- (1) net operating losses and certain capital losses, which generate adjustments to taxable income and consequently create adjustments to the tax liability; and
- (2) unused foreign taxes and unused general business credits which would cause adjustments to income tax through recomputed credits.

The use of these carryback provisions would require that a corporation file an amended income tax return. Amended returns were excluded from the corporate sample.

Therefore, the statistics differ somewhat from the actual income tax collections and the final income tax liability of corporations for the Tax Year. Publication 55, Annual Report of the Commissioner and Chief Counsel of Internal Revenue, contains income tax collection data on a fiscal year basis as opposed to the income year basis used in this publication. Publication 55 is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC, 20402.

See Total Income Tax and Income Tax After Credits in this section.

Income Tax After Credits

Income tax after credits in the statistics represents total income tax less the sum of credits for: foreign tax; U.S. possessions tax; orphan drug research; the production or sale of fuels from nonconventional sources; general business incentives; and prior year minimum tax.

See Income Tax and Total Income Tax in this section.

Intangible Assets

The total gross value (before the reduction by amounts of accumulated amortization) of contracts, copyrights, formulas, licenses, patents, registered trademarks, research or experimental expenditures and similar assets were included

in this category only if amortization (or depreciation) actually had been taken. These assets could be amortized only if they had a definite life and value.

Accumulated amortization represented the cumulative adjustment to these intangible assets as shown on the corporation's books of account. Amounts of accumulated depreciation shown as adjustments to intangible assets are included in the statistics with Accumulated Amortization.

Interest

Taxable interest, a component of total receipts, was received from obligations issued by the United States, its agencies, or its instrumentalities. Interest received on loans, notes, mortgages, arbitrage bonds, nonexempt private activity bonds, corporate bonds, bank deposits, and tax refunds was also included in this item. The interest received was reduced by the amortizable bond premium, as defined under Code section 171. For installment sales, interest received included amounts stated in the contract and certain unstated amounts of interest, as defined under Code section 483.

Interest received from tax-exempt state or municipal bonds and ESOP loans was not included in this item. 1120S interest received is not included in this item but is separately reported on the Schedule K. Corporations were not allowed to offset any interest expense against interest income. However, if the corporation reported only a net amount, this figure was used in the statistics. See Interest Paid.

Interest on Government Obligations: State and Local

The interest received from certain government obligations was not subject to U.S. income tax. These tax-exempt obligations included those issued by states, municipalities and other local governments, the District of Columbia, and U.S. possessions, including Puerto Rico. The amounts shown for this item were reduced by the amortizable bond premium.

For statistical presentation, this interest was included in Total Receipts. However, it was not included in net income (less deficit) or income subject to tax.

Most corporations reported this tax-exempt interest in the Reconciliation of income per books with income per returns (see Schedule M-1 on the Form 1120 in section 6 of this report). Because of variations in taxpayer reporting, this item may not have always been identified. Therefore, the statistics could be understated for interest received from state and local government obligations.

Interest Paid

These amounts include interest paid by corporations on business indebtedness including amounts paid on installment purchases if they were stated in the contract, as well as certain unstated amounts defined under Code section 483. For banking and savings institutions, the statistics also included interest paid on deposits and withdrawable shares. For mutual savings banks, building and loan associations and cooperative banks, interest paid includes amounts paid or

credited to the accounts of depositors as dividends, interest or earnings under Code section 591. Interest identified as part of the cost of sales and operations, or capitalized under section 263A, was excluded from cost of sales and included in the statistics as interest paid. Tax-exempt interest is not included in these statistics. See Total Receipts for further information.

Inventories

Based on amounts reported on the balance sheet, inventories included such items as raw materials, finished and partially finished goods (work in progress), merchandise on hand or in transit, and growing crops reported as assets by agricultural concerns. Inventories were generally valued at cost or at the lower of cost or market price. When valued at cost, inventories were generally identified by first-in, first-out (FIFO) or last-in, first-out (LIFO) methods.

When inventories were reported by companies within certain financial industries, the amounts were included in the statistics for Other Investments and excluded from inventories. For other holding and investment companies (except bank holding companies), and small business investment companies, inventories were included in Other Investments for companies which were nonconsolidated or consolidated with financial subsidiaries (and the inventories were reported by the financial subsidiaries).

Inventories were included in the statistics for Other Current Assets and excluded from inventories when reported by other nonconsolidated corporations within the Finance, Insurance, and Real Estate industrial division. However, inventories were included in Other Current Assets, if reported by bank holding companies, whether a "pure" consolidated or nonconsolidated. If bank holding companies were consolidated with nonfinancial subs, inventories were included in the statistics.

Inventories included in the statistics for the Finance, Insurance, and Real Estate industrial division were those reported by consolidated financial companies with diversified nonfinancial subsidiaries.

See also Cost of Sales and Operations.

Investment Credit

The Tax Reform Act of 1986 repealed the regular portion of the investment credit for most taxpayers. For property placed in service after December 31, 1985, no regular investment credit could be claimed unless the property was:

- (1) Transition property, for example, construction in progress on December 31, 1985;
- (2) Qualified progress expenditure property; or
- (3) Qualified timber property treated as section 38 property under Code section 48(a)(1)(F):

No regular investment credit could be claimed for property, such as, automobiles, delivery trucks, office equipment, and farm equipment unless it was transition property on

December 31, 1985, or it fell into one of the other categories listed above.

The 1986 Tax Act also extended for three years the business energy portion of the investment credit for solar, geothermal, and ocean thermal property and for two years for biomass property. The rehabilitation portion of the investment credit was also modified. The allowable credit for rehabilitation property was reduced; for older nonresidential buildings from 15 or 20 percent of the qualified investment to 10 percent and for certified historic structures from 25 percent to 20 percent.

For qualified progress expenditures property, a corporation could elect to claim an investment credit for taxable years before the qualified property was placed in service. For periods after 1985, the depreciable basis of the property was to be reduced by the full amount of the credit. Prior to the 1986 Tax Act, a corporation could elect to reduce the available credit rather than the basis of the property.

The investment credit (before limitations) for qualified timber property was 10 percent of the qualified investment. The credit for transition property and qualified progress expenditure property was also 10 percent of the qualified investment. After June 30, 1987, a 35 percent reduction applied to the regular 10 percent investment credit for those properties except for qualified timber property. The amount of the reduction could not be carried to any other tax year.

Generally, investment credit property included the following:

- (1) tangible personal property defined in Code section 48(a)(1). Tangible personal property comprised all property contained in or attached to a building, such as, machinery or equipment. Certain types of property, even though physically located outside a building or accessory to a building, were also considered tangible personal property;
- (2) elevators and escalators;
- (3) other tangible property, including certain real property, used as an integral part of manufacturing, production, or extraction, or used as a research facility or bulk storage facility;
- (4) livestock other than horses as long as not sold and replaced by substantially identical animals during a relatively short period of time;
- (5) certain single-purpose agricultural or horticultural structures defined in Code section 48(p);
- (6) rehabilitation expenditures for qualified 30-year buildings, 40-year buildings, and certified historic structures;
- (7) forestation and reforestation expenditures that are amortizable under Code section 194; and
- (8) petroleum storage facilities. A corporation could also claim an investment credit for certain vessels under special provisions of Code sections 46(g)(1) through (6) for certain maritime property.

Certain limitations on the credit were applicable to special classes or kinds of corporations. Code section 46(e) limited the applicability of the credit for mutual savings banks, regulated investment companies and real estate investment trusts. Limitations on investment credit for movie and television films or tapes were defined under Code section 48(k).

The investment credit could not reduce the recapture taxes for the investment credit or low-income housing credit; the alternative minimum tax; the environmental tax; the personal holding company tax; or the tax liability of S corporations for capital gains or excess net passive investment income. Shareholders of S corporations computed the regular investment credit; it was not computed at the corporate level by the S corporation. The S corporation reported the basis in the qualifying property to each shareholder for this purpose.

Generally, for property placed in service after 1990, the investment credit was restructured and became the sum of the rehabilitation credit, energy credit and reforestation credit, per I.R. Code Section 46. The investment credit was included (as a component) in the general business credit shown in the tables. The components of the general business credit were shown separately in Table 21; the tentative business energy credit was not included in the regular investment credit. For a discussion of the income tax limitations and carryback and carryforward provisions of the credit, see General Business Credit, in this section.

See Recapture of Investment Credit.

Investment Credit Carryover

The 1984 Tax Reform Act provided that unexpired investment credit from each pre-1984 taxable year would be combined with other credits into the general business credit carryforward from each unused credit year to be carried to post-1983 years. The carryforward period was not to exceed 15 years from the year of the original unused credit. The unused credit was applied first to the earliest of the years to which it could be carried, and then to each of the other tax years, in chronological order. Because the data in this book do not include any information from amended returns, the statistics do not reflect any changes in tax liability due to the use of investment credit carryback.

See Investment Credit.

Investments in Government Obligations

This balance sheet asset item comprised U.S. obligations, including those of instrumentalities of the Federal Government. State and local government obligations, the interest on which is excluded from gross income under section 103(a), is included in Tax-Exempt Securities.

Balance sheet data for mutual property and casualty insurance companies were extracted from the income tax return, Form 1120-PC, rather than the annual statement, beginning with Tax Year 1987. Prior to 1987, these companies filed tax

returns on Form 1120M, which did not include a balance sheet. The balance sheet data were then extracted from the annual statement attached to the returns.

Some mutual property and casualty insurance companies included Investments in Government Obligations with Other Investments on the income tax return, Form 1120-PC. When identified, the amounts were included in the statistics for Investments in Government Obligations and excluded from Other Investments.

The comparability of balance sheet data could have been affected by differences in reporting on the annual statement for years prior to 1987 and on the income tax return Form 1120-PC, beginning with 1987. Comparison of data reported on the annual statement to that reported on the Form 1120-PC indicated that Investments in Government Obligations was often more clearly identified on the annual statement than on the income tax return. Thus, the statistics could be overstated for Other Investments and understated for Investments in Government Obligations, to the extent that Investments in Government Obligations may not have been identified on the tax return.

Stock property and casualty insurance companies also filed income tax returns on the Form 1120-PC, beginning with 1987. However, prior to 1987 these companies reported balance sheet data on the income tax return, Form 1120 or Form 1120-A, rather than an annual statement. Therefore, the comparability of balance sheet data, before and after 1987, was not generally affected by the tax return filed by nonlife stock insurance companies.

See also: Tax-Exempt Securities.

Jobs Credit

The credit was allowed to taxpayers who hired individuals from any of the following targeted groups: (1) vocational rehabilitation referrals; (2) economically disadvantaged young adults; (3) Vietnam era veterans from an economically disadvantaged family; (4) federal, state, and local welfare recipients; (5) general assistance recipients; (6) economically disadvantaged ex-convicts; (7) economically disadvantaged youths participating in a qualified cooperative education program; (8) eligible work incentive employees; or (9) qualified summer youth employees, age 16 or 17, who first worked for the corporation between May 1 and September 15 for at least 14 days or 20 hours.

For employees hired before September 30, 1990, only qualified first-year wages could be used to determine the jobs credit. The credit was limited to 40 percent of the first \$6,000 of qualified first-year wages and 40 percent of the first \$3,000 of qualified summer youth employee wages. The 1988 Tax Act reduced the percentage for qualified summer youth employee wages, from 85 percent to 40 percent for those employees hired after December 1988.

The jobs credit was claimed as one of the components of the general business credit. For a discussion of the income tax

limitations and carryback and carryforward provisions of the credit, see General Business Credit, in this section. The jobs credit was included (as a component) in the general business credit shown in the tables. The components of the general business credit were shown separately in Table 21.

Land

Land, which was reported as a separate capital asset on the balance sheet, may be understated in this report because it could not always be identified. Some corporations may have included land as part of depreciable or depletable assets or included it in other investments. Whenever corporations included and identified land as part of depreciable assets, the amount was reclassified as land, but land improvements remained as depreciable assets.

Loans from Stockholders

This balance sheet liability item was regarded as long-term in duration and included loans to the company from holders of the company' stock.

Loans to Stockholders

This balance sheet asset item was regarded as longterm in duration and included loans to persons who held stock in the corporation.

Low-Income Housing Credit (*)

The low-income housing credit allowed a credit of 70 percent of the qualified basis of each new low-income building placed in service after 1986 (30 percent in the case of certain federally subsidized new buildings or certain existing buildings purchased and placed in service). This credit could be taken over a 10-year period so that the present value of the 10 annual credit amounts as of the last day of the first year of the credit period equaled 70 percent (or 30 percent) of the qualified basis.

The maximum annual credit percentage for new buildings placed in service during 1987 was 9 percent for each of the 10 years in the credit period (4 percent for federally subsidized new buildings, and existing buildings). For buildings placed in service after 1987 the credit percentage was determined by the Internal Revenue Service.

The low-income housing credit could only be claimed for residential rental projects that meet the requirements of one of the following tests:

- (1) 20-50 Test: 20 percent or more of the residential units in the project must be both rent restricted and occupied by individuals whose income is 50 percent or less of the area median gross income, or
- (2) 40-60 Test: 40 percent or more of the residential units in the project must be both rent restricted and occupied by individuals whose income is 60 percent or less of the area median gross income.

A unit was rent restricted if the gross rent did not exceed 30 percent of the income limitation in (1) or (2) above for

individuals occupying the unit. A corporation could elect to classify a project under either one of the above criteria. Once made, the election was irrevocable.

A one-time election to claim an increased low-income housing credit was available for the first year ending after October 24, 1990. For each year thereafter, the low-income housing credit on property for which the increased credit was claimed is reduced by a ratable share of the increase.

The low-income housing credit was claimed as one of the components of the general business credit. For a discussion of the income tax limitations and carryback and carryforward provisions of the credit, see **General Business Credit**, in this section. The low-income housing credit is included (as a component) in the general business credit shown in the tables. The components of the general business credit are shown separately in Table 21.

Members of Controlled Groups

Members of controlled groups were those corporations related to one another generally through 80 percent or more common stock ownership and which could file separate tax returns, under special provisions of the Code.

These provisions also effectively covered the filing prerequisites for most consolidated returns since the stock ownership requirement used to define an affiliated group eligible to file a consolidated return was similar to the controlled group ownership requirements. In computing income tax, Code sections 1561 and 1563 limited the taxable income brackets to a maximum amount in such brackets, whether or not the group was included in a consolidated return. (See **Consolidated Returns**.)

The controlled group provisions applied when (1) a common parent corporation had 80 percent or more control of one or more chains of subsidiaries (parent-subsidiary group), or (2) five or fewer persons (individuals, estates, or trusts), individually or in combination, had 80 percent or more control of each of two or more corporations, but where the sum of each person's identical ownership in the group totaled more than 50 percent (brother-sister group). Identical ownership was considered to be the lowest common percent of ownership of an individual owner in each of the corporations comprising the group. Thus, if a company had ownership in each corporation in a given group and the smallest percent ownership was, for example, 5 percent of corporation A, that company's identical ownership in the entire group was considered to be 5 percent. Combination groups were possible when a person or persons controlled two or more corporations, one of which was the parent of one or more subsidiary corporations.

As of 1981, insurance companies were allowed, under Code section 1504(c) to be included in a controlled group with noninsurance companies, as long as the noninsurance companies had been members of the affiliated group for 5 taxable years (see **Consolidated Returns**). Prior to 1981, two

or more related life insurance companies were required to be treated as a controlled group separate from any other corporation to which they were related.

Minimum Tax Credit

See: **Prior Year Minimum Tax Credit**.

Mortgage and Real Estate Loans

In general, mortgage and real estate loans were the total amount a corporation loaned on a long-term basis, accepting mortgages, deeds of trust, land contracts, or other liens on real estate as security.

Because the return form did not provide a separate place for reporting any reserve for uncollectible mortgage and real estate loan accounts, such reserves may have been included in the Allowance for Bad Debts, shown in this report as an adjustment to Notes and Accounts Receivable. If a corporation reported an uncollectible mortgage and real estate loan reserve on a separate schedule, those amounts were moved, in this report, to Allowance for Bad Debts.

Mortgages, Notes, and Bonds Payable

These liabilities were separated on the balance sheet according to the length of time to maturity of the obligations payable in less than one year or payable in more than one year. The length of time to maturity was based on the date of the balance sheet rather than on the date of issue of the obligations.

Accordingly, long-term obligations, maturing within the coming year were included together with short-term obligations in the statistics for mortgages, notes, and bonds payable in less than one year.

Deposits and withdrawable shares may have been reported in mortgages, notes, and bonds payable by banks and savings institutions. When identified, such amounts were transferred to **Other Current Liabilities**.

Net Capital Gains

Net capital gains represented the excess of gains over losses from the sales or exchanges of capital assets subject to the limitations described below. The long-term capital gain holding period was more than 6 months for assets acquired after June 22, 1984 and before January 1, 1988. For assets purchased after January 1988, any recognized capital gain or loss qualified for long-term treatment if the assets were held for more than one year. If the assets were held for one year or less, the gain or loss was treated as short-term. This was the same holding period that had applied to assets acquired before June 23, 1984.

Net short-term gains (reduced by net long-term losses) and net long-term gains (reduced by net short-term losses) were generally taxed as ordinary income after July 1987. Certain capital gains for some corporations, however, were subject to a flat 34 percent tax rate.

A corporation can use capital losses for a tax year only to offset capital gains in that year. There is no offset for ordinary income for a corporation. Excess net losses could be carried back as short-term losses to be applied against the net capital gains of the 3 preceding years; any losses remaining after carryback were carried over the 5 succeeding years. Use of the carryback for excess net losses was limited; it was not allowed to increase or cause a deductible net operating loss for prior years and was not allowed for foreign expropriation capital losses (although a special carryover period of 10 years for such losses was allowed instead) or for capital losses of S corporations. A net capital loss for a Regulated Investment Company could be carried forward 8 years instead of 5 years. If the unused capital loss carryover was not eliminated within the prescribed span of years, it could not be taken. Regardless of origin, all carrybacks and carryovers were treated as short-term capital losses for carryback and carryover purposes.

In general, capital assets for tax purposes meant property regarded or treated as an investment, such as stocks and bonds. Code section 1221 defined the capital assets (or transactions) to which special treatment applied as all property held by the corporation except:

- (1) an inventorial asset;
- (2) property held for sale to customers in the ordinary course of business;
- (3) notes and accounts receivable acquired in the ordinary course of business;
- (4) certain publications of the United States Government;
- (5) depreciable property used in the trade or business; real property used in the trade or business; and
- (6) certain copyrights, literary, musical, or artistic compositions or similar properties.

Net gains from dispositions of some of the property types excluded from the definition of capital assets under Code section 1221 could receive capital gain treatment under special conditions set forth in other sections, while net gains from some of the property types included under the definition could be denied capital gain treatment under still other sections. For the latter, see: Net Gain (or Loss), Noncapital Assets.

Under section 1231, capital gains provisions could have applied to a net gain from dispositions of or certain transactions involving specified types of business assets that were otherwise considered noncapital assets, based on Code section 1221. Gains and losses from the dispositions or transactions first had to be aggregated. If the overall result was a net gain, it was included in the computation of net long-term capital gain, but if the overall result was a net loss, it was included in the computation of ordinary income as a net loss from noncapital assets. Thus, a net gain under section 1231 could receive treatment as a long-term capital gain, while a net loss under section 1231 could receive treatment as an ordinary loss fully deductible against all types of income and not just against capital gain income.

The types of property (or transactions) to which Code section 1231 applied are described in the Net Gain (or Loss), Noncapital Asset Section.

The amounts of gain eligible for capital gains treatment under Code section 1231 was reduced in the case of certain real and depreciable property by Code sections 1245, 1251, 1252, and 1254, and in the case of certain mining property, by section 617. Net gains and certain net losses under Code section 1231 also resulted from involuntary conversions, not only of the property types or transactions otherwise covered by Code section 1231, but also of the capital assets defined in Code section 1221, if they were held for more than 6 months (or more than one year after January 1988). Gain or loss from involuntary conversions such as by condemnation were included in the regular consolidation of Code section 1231 gains and losses. However, a separate netting of gains and losses was required for involuntary conversions by theft, or from fire, storm, shipwreck or other casualty, whether insured or uninsured. If the result was a net loss, it was treated as a fully deductible loss (without regard to other Code section 1231 transactions) and was excluded from the capital gain statistics. If, on the other hand, the result was a net gain, then it was consolidated with other gains and losses under Code section 1231.

See the discussions of Net Gain (or Loss), Noncapital Assets and Other Deductions.

Net Gain (or Loss), Noncapital Assets

In general, noncapital assets related to property of a business nature. Special rules governing the computation of a net gain or loss from noncapital assets were provided under Code section 1231. Transactions treated under these special provisions included:

- (1) the sale or exchange of real or depreciable property used in a trade business;
- (2) the cutting or disposal of timber treated as a sale or exchange under Code section 631(a) and (b);
- (3) the disposal of coal or iron ore treated as a sale under Code section 631(c);
- (4) the sale or exchange of livestock (excluding poultry) used in a trade or business for draft, breeding, dairy, or sporting purposes, if held for at least 12 months (24 months for horses and cattle);
- (5) the sale or exchange of unharvested crops; and
- (6) the involuntary conversion of property or capital assets due to partial or total destruction, theft, seizure, requisition, or condemnation.

Transactions not treated under the section 1231 provisions included the sale or exchange of: (a) inventory or property ordinarily held for sale; (b) certain copyrights; (c) literary, musical, or artistic compositions; (d) letters or memorandums; (e) U.S. Government publications; or (f) other similar property.

Under section 1231, capital gains provisions could have applied to a net gain from dispositions of or certain transactions involving specified types of business assets that were otherwise considered noncapital assets, based on Code section 1221. Gains and losses from the dispositions or transactions first had to be aggregated. If the overall result was a net gain, it was included in the computation of net long-term capital gain, but if the overall result was a net loss, it was included in the computation of ordinary income as a net loss from noncapital assets.

For a long-term capital gain or loss, the required holding period of the asset was more than one year for assets acquired before June 23, 1984 and after December 31, 1987. The long-term holding period was more than six months for assets acquired after June 22, 1984 and before January 1, 1988.

Gains and losses resulting from involuntary conversions, due mostly to casualty and theft, received special treatment. Such losses were to be included in the computation of net gain or loss, noncapital assets. However, some corporations reported them in Other Deductions, in which case, the losses were included in the statistics for Other Deductions. No attempt was made to recompute the net gain or loss from noncapital assets for such returns.

The amount of gains (but not losses) on dispositions of property includable in the computation of net gain or loss under Code section 1231, was limited as a result of sections 1245, 1250, 1252, 1254 (described below), and 617. To the extent the amount eligible for capital gains treatment was thereby reduced, the amount included in the statistics for net gain or loss, noncapital assets, was increased.

Code sections 1245 and 1250 applied to certain depreciable property. Section 1252 prescribed additional rules for much of this same property if it was used in the business of farming, as well as for certain other types of property used in farming and covered under section 1231. Section 617 applied to certain depletable property.

Code sections 1245 and 1250:

The depreciable or amortizable property to which Code section 1245 applied was: (1) personal property other than livestock, whether tangible (such as machinery and equipment) or intangible (such as patents and copyrights); and (2) other tangible property including certain realty other than buildings and their structural components, if it was an integral part of specified business activities, or which constituted research or storage facilities used in connection with such activities. The business activities qualifying were manufacturing, production, extraction, or the providing of transportation, communications, electrical energy, gas, water, or sewage disposal services.

The depreciable property to which Code section 1250 applied was depreciable real property not subject to recapture rules under section 1245. In general, this property consisted of buildings and their structural components, in the case of

tangible property; or leaseholds of land, in the case of intangible property. Section 1250 generally applied when depreciation was computed using an accelerated method of computation.

The amount of gain on dispositions of depreciable property under Code sections 1245 and 1250, treated as ordinary income and included in the statistics for net gain or loss, noncapital assets, generally depended upon the amount of depreciation, or amortization for certain property, claimed on the asset after a certain date prior to its disposition.

Code section 1252:

Under Code section 1252, net gain or loss from noncapital assets included ordinary gains from the sale or other disposition of certain types of farm lands which would otherwise have been eligible for long-term capital gain treatment under section 1231. Dispositions already regarded as ordinary gain or loss using section 1250 rules were excluded.

This recapture was based on a declining annual percentage of total deductions for expenditures. The percentage was reduced to zero when land was held for 10 years or more, at which time the additional recapture did not apply.

Code section 1254:

Code section 1254 required that a gain from the disposition of oil, gas, or geothermal property placed in service before January 1, 1987 be treated as ordinary income. When the disposition of such property resulted in a gain, the intangible drilling costs, depletion, mine exploration and development costs were to be recaptured under Code sections 263, 616, and 617.

Net Income (or Deficit)

This was the difference between gross receipts and the ordinary and necessary business deductions allowed by the Code, and reflected not only actual receipts but constructive receipts as well (i.e., certain income from Controlled Foreign Corporations and foreign dividend gross-up). Interest from State and local government obligations was excluded from this item.

Net income was generally larger than the amounts shown in the statistics for Income Subject to Tax. Certain statutory special deductions, including the net operating loss deduction, were allowed to most corporations for computing their taxable income. Income subject to tax generally represented net income reduced by the statutory special deductions. These statutory special deductions, however, were not allowed to reduce certain taxable income of S corporations, life insurance companies, regulated investment companies, and real estate investment trusts.

Also, included in the net income was ordinary income from the normal trade or business activities of S corporations. Although the income was taxable to the shareholders, it was used for the statistics as a measure of corporate business

activity for these companies. For tax purposes, net income for S corporations excluded passive income such as rents and other portfolio investments. (This income was also taxable to the shareholders.) Certain long-term capital gains, however, were taxable to S corporations before the gains were passed through to the shareholders. These gains were excluded from net income.

The statistics for net income (or deficit) also included the "effectively connected income" of foreign corporations operating in the United States. Generally, income was considered effectively connected if the foreign corporation conducted a trade or business in the United States and the income was attributable to that business.

For non-life insurance companies subject to tax under Code section 831, the net income (or deficit) in this report was the sum of investment income, the statutory underwriting income, and certain other statutory receipts unique to these companies reduced by the ordinary business deductions and certain other statutory deductions.

Some small non-life insurance companies could elect to compute income tax on their taxable investment income only. Under the election, they were not required to report underwriting income. To make the election the company's net or direct written premiums were required to be over \$350,000 but not over \$1,200,000. Therefore, the statistics for net income included only net investment income for those companies.

In the statistics, the net income (or deficit) for life insurance companies, consisted of the gain or loss from operations adjusted by adding back the special deductions for dividends received and for operating losses incurred. Gain or loss from operations included both underwriting and investment income, reduced by ordinary business deductions, additions to required reserves, certain other statutory deductions unique to these companies, and deductions for dividends received and operating losses incurred.

Provisions under Code section 1504(c) allowed corporations to elect to include their domestic insurance companies in a consolidated tax return. There could be three separate components of this type of consolidated return: (a) non-insurance companies; (b) life insurance companies; and (c) life insurance companies.

For companies which elected to file a consolidated return under Code section 1504(c), net income in the statistics represented the aggregate for the separate components of the consolidation. However, specific limitations were imposed on the use of nonlife business activity losses as an offset to life insurance gains for the purpose of computing income subject to tax and income tax. The income tax was based on the consolidated amount of income subject to tax. As a result, a consolidated return under Code section 1504(c) with a net deficit could report income subject to tax.

Net Long-Term Capital Gain Reduced by Net Short-Term Capital Loss

See Net Capital Gains in this section.

Net Operating Loss Deduction

See: Statutory Special Deductions.

Net Short-Term Capital Gain Reduced by Net Long-Term Capital Loss

See Net Capital Gains in this section.

Net Worth

Net worth represented the stockholders' equity in the corporation (total assets minus the claims of creditors). In the statistics, net worth comprised the net sum of the following items:

- (1) capital stock;
- (2) paid-in or capital surplus;
- (3) retained earnings, appropriated;
- (4) retained earnings, unappropriated;
- (5) less the cost of treasury stock.

Noncalendar Year Returns

Returns filed for a 12 month accounting period ending in other than December were included in this classification. Figure B in section 1 shows the percentage of returns filed for each of the accounting periods covered in this report.

Nonconventional Source Fuel Credit

This credit was allowed for the sale of qualified fuels produced from a nonconventional source. Prior to 1980, no income tax credit was available for the production and sale of fuel derived from energy sources other than oil and conventional sources of natural gas. Congress encouraged the use of fuels derived from other energy sources by providing a tax incentive for their production and sale. Because these alternative fuels frequently competed with oil and gas, production incentives were linked to the uncontrolled price of domestic oil and were to be phased out when efficiently produced alternative fuels could compete effectively with oil.

In general, the amount of credit was equal to \$3 for each quantity of fuel that would yield energy equal to that of a barrel of oil, the so-called barrel-of-oil equivalent which was approximately 5.8 million British Thermal Units (BTU's). The Crude Oil Windfall Profit Tax Act of 1980 provided a tax credit for the domestic production and sale of qualified fuels to unrelated persons. Such fuels generally had to be produced and sold after December 31, 1979, and before January 1, 2001, from facilities placed in service after December 31, 1979, and before January 1, 1990, or from wells drilled after December 31, 1979, and before January 1, 1990, on properties which began production after December 31, 1979. Only production within the U.S. or a U.S. possession was taken into account.

The credit was available for production and sale of the following:

- (1) fuel produced from shale and tar sands;
- (2) gas produced from geopressurized brine, Devonian shale, coal seams, or a tight formation;
- (3) gas produced from biomass;
- (4) liquid, gaseous, or solid synthetic fuel (including alcohol) produced from coal (including lignite), including such fuels when used as feedstocks;
- (5) qualifying processed wood fuels; and
- (6) steam from solid agricultural byproducts (not including timber byproducts).

The tax credit was to be phased out proportionately as the annual average wellhead price for a barrel of uncontrolled domestic oil (the reference price) rose, adjusted for inflation. The reference price was estimated by the Secretary of the Treasury and published, together with the inflation adjustment factor, by April of the year following that for which the credit was to be computed. The inflation adjustment factor was the gross national product (GNP) implicit price deflator for the calendar year expressed as a percent of the GNP implicit price deflator for 1979.

Notes and Accounts Receivable

In general, notes and accounts receivable were the gross amounts arising from business sales or services to customers on credit during the ordinary course of trade or business. These current assets would normally be converted to cash within 1 year. This category included commercial paper, charge accounts, current intercompany receivables, property improvement loans, and trade acceptances. Current nontrade receivables were generally included in Other Current Assets.

Certain savings and loan associations reported loans and mortgages as notes and accounts receivable. When identified, such mortgage loans were included in the statistics for Mortgage and Real Estate Loans, rather than Notes and Accounts Receivable.

The gross amount of the receivables and the corresponding adjustment account, Allowance for Bad Debts, were reported on the balance sheets of most corporation income tax forms. For an explanation of the adjustment account, see: Allowance for Bad Debts. Some corporations, however, reported only the net amount of the accounts receivable.

In the case of life insurance companies, balance sheet data were extracted from the annual statement attached to the income tax return, Form 1120L. Form requirements of the annual statement were prescribed under State law. Consequently, data reported on the annual statement were not always comparable to that reported on the balance sheet of the income tax returns of noninsurance companies. For example, only the net amount of the accounts receivable was reported on the annual statement for life insurance companies.

For mutual property and casualty insurance companies,

balance sheet data were extracted from the income tax return, Form 1120-PC, rather than the annual statement, beginning with 1987. The balance sheet on the Form 1120-PC provided for reporting both the gross receivables and the allowance for bad debts. Prior to 1987, these companies filed income tax returns on Form 1120M, which did not include a balance sheet. The balance sheet data for the statistics were extracted from the annual statements attached to the returns. Only the net amount of the accounts receivable was reported on the annual statements. Therefore, the tax form change, from Form 1120M to Form 1120-PC, affected the comparability of the balance sheet data, before and after 1987, for mutual property and casualty insurance companies.

Stock property and casualty insurance companies also filed income tax returns on the Form 1120-PC, beginning with 1987. However, prior to 1987 these companies reported balance sheet data on the income tax return, Form 1120, or Form 1120-A. Balance sheet data for the statistics were not extracted from an annual statement. Therefore, the change in tax forms did not affect the comparability of balance sheet data for nonlife stock insurance companies.

Notes and Accounts Receivable, Net (*)

Notes and Accounts Receivable, Net were presented in the statistics for tables 4 and 5. The amount shown was notes and accounts receivable after the reduction for the allowance for bad debts. Each of these terms is described separately under its own heading in this section.

Number of Returns

Returns of inactive corporations were excluded from the statistics. (See Returns of Inactive Corporations.) For most tables, the total number of returns represented all active corporations which filed the various types of Form 1120 tax returns sampled for the corporate program. For some tables, the number of returns was limited to corporations which filed specific types of Form 1120. Those included Form 1120-A, Form 1120S, and Form 1120F. The number of returns was limited for other tables by excluding specific types of Form 1120. Those tables were limited to Forms 1120, other than Forms 1120S, 1120-REIT, and 1120-RIC. One table was limited to the number of consolidated returns of active corporations. The number of returns with net income was also provided in some tables, while other tables were limited to returns with net income. The number of returns with income tax was provided in one table.

See also: Consolidated Returns and Returns of Active Corporations.

Orphan Drug Credit

Orphan drug credit was a credit against tax for an amount equal to 50 percent of the qualified clinical testing expenses of certain drugs for rare diseases or conditions. In order to claim the credit, the expenses must have been for a drug that was designated as an orphan drug under Section 526 of the Federal Food, Drug and Cosmetic Act. Form 6765 is used for

claiming the orphan drug credit. The income tax against which the credit was applied was the remaining U.S. income tax after reductions by the credits for taxes paid to foreign countries and possessions.

Other Assets

In general, other assets were comprised of noncurrent assets which were not allocable to a specific account on the balance sheet, and certain assets not identified as current or noncurrent. Both tangible and intangible assets were included in this category. Also included were assets such as: deposits on contracts, interest discounts, and guaranty deposits, when reported as noncurrent assets. Other assets of life insurance companies included the market value of real estate and that portion of stock and bond holdings in excess of book value.

When identified on the tax return, assets held for investment were not included in Other Assets.

Other Capital Assets Less Reserves

This item, shown in Tables 4 and 5, consisted of depletable assets less accumulated depletion, land and intangible assets less accumulated amortization. Each is described separately under its own heading in this section.

Other Current Assets

Other current assets included assets not allocable to a specific current account listed on the balance sheet of the tax form and assets reported as short-term, but without identification of a specific current account.

Marketable securities, prepaid expenses (unless reported as long-term), nontrade receivables, coupons and dividends receivable, and similar items were included in this asset account. Also included were amounts in excess of billings for contract work in progress reported as current by construction corporations.

When reported by certain nonconsolidated financial companies, inventories were included in the statistics for other current assets, rather than for inventories. Those nonconsolidated financial companies included banks, credit agencies, insurance companies, insurance agents, brokers, real estate operators, lessors, and condominium management and cooperative housing associations. Inventories were included in other current assets if reported by bank holding companies, whether a "pure" consolidated or nonconsolidated; however, if consolidated with nonfinancial subsidiaries, then inventories were not moved to Other Current Assets.

Other Current Liabilities (*)

Other current liabilities included certain amounts due and payable within the coming year. The account was comprised of accrued expenses, as well as current payables not arising from the purchase of goods and services. Examples of other current liabilities were taxes accrued or payable, accrued

employee accounts such as for payrolls and contributions to benefit plans, dividends payable, overdrafts, accrued interest or rent, and deposits and withdrawable shares of banking and savings institutions, if not reported as long-term by the corporation. For construction corporations, amounts for uncompleted contracts or jobs in progress were included in this item, if reported as current.

For certain banking and savings and loan institutions reporting deposits and withdrawable shares in Accounts Payable, prior-year Corporation Source Book ratios were used to move amounts to Other Current Liabilities. In 1991, the use of prior-year ratios to move amounts from Accounts Payable to Other Current Liabilities was not employed. Prior to 1991, for those certain banking and savings and loan institutions, prior-year Corporation Source Book ratios were used to move amounts to Other Current Liabilities. Thus, due to the change in statistical treatment, Accounts Payable for 1991 tends to be overstated while Other Current Liabilities for 1991 tends to be understated compared to pre-1991 and 1992 data.

Balance sheet data for mutual property and casualty insurance companies were extracted from the income tax return, Form 1120-PC, rather than the annual statement, beginning with Tax Year 1987. Prior to that year, these companies filed tax returns on Form 1120M, which did not include a balance sheet. The balance sheet data were then extracted from the annual statement attached to the returns.

The comparability of balance sheet data could have been affected by differences in reporting on the income tax return Form 1120-PC, beginning with 1987, and on the annual statement for years prior to 1987. Mutual property and casualty insurance companies frequently included Losses in Other Liabilities on the income tax return. Whereas in prior years, Losses were reported on the annual statement and included in Other Current Liabilities during statistical processing. Thus, Other Current Liabilities may be understated while Other Liabilities may be overstated, compared to the pre-1987 data, obtained from the annual statement.

However, beginning in 1990, the Form 1120-PC provided a separate balance sheet line item specifically for the reporting of insurance liabilities (e.g. Losses). For purposes of this report, insurance liabilities were included in Other Current Liabilities. Therefore, the treatment of Losses for mutual property and casualty insurance companies tended to be uniform for all Form 1120-PC filers (returning to a pre-1987 treatment).

Stock property and casualty insurance companies also filed income tax returns on the Form 1120-PC, beginning with 1987. However, prior to 1987 these companies reported balance sheet data on the income tax return, Form 1120 or Form 1120-A, rather than an annual statement. Therefore, the comparability of balance sheet data, before and after 1987, was not generally affected by the tax return filed by nonlife stock insurance companies.

Other Deductions

Other deductions comprised: (1) business expenses which were not allocable to a specific deduction item on the tax return, or which were not included elsewhere on the tax return, and (2) certain amounts which were given special treatment in the course of statistical processing, and (3) the amount for salaries and wages reported on the tax return.

The first category included such items as administrative, general, and selling expenses; bonuses and commissions (unless reported as cost of goods or salaries and wages); delivery, freight, and shipping expenses; sales discounts; travel and entertainment expenses; utility expenses not reported as part of the cost of goods sold; and similar items. Certain dividends may be deducted from an employee stock ownership plan under section 404(k). For meal and entertainment only 80 percent is deductible, with a few exceptions. The second category included amortization of intangible drilling costs, unrealized profit on current-year installment sales, direct pensions (paid by a company to an individual but not to pension plans), employee welfare (but not payments to welfare or benefit plans), moving expenses (for employees), partnership net losses, and patronage dividends paid. Also included were itemized business deductions and other deductions unique to life and property and casualty insurance companies.

For corporations filing a Form 1120-A, advertising, depletion, and deductions for pension, profit-sharing and employee benefit plans were moved to the appropriate item.

The statistics for other deductions may include losses resulting from involuntary conversions by theft, or from fire, storm, shipwreck, or other casualty, if these losses were reported in the taxpayer's own schedule for other deductions. For the statistics, no attempt was made to transfer the data to the ordinary gains or losses computation.

Also included are any adjustment items reported by corporations and listed in other deductions. The statistics for Other Deductions excluded amounts for amortization reported on the Form 4562, Depreciation and Amortization, and included net foreign currency loss for Regulated Investment Companies.

Losses from involuntary conversions which were reported as ordinary losses on Form 4797, Supplemental Schedule of Gains and Losses, were included in the statistics for Net Gain (or Loss), Noncapital Assets. See also the discussion under Net Capital Gains in this section.

Other Investments

This category generally included long-term non-Government investments and certain investments for which no distinction could be made as to their current or long-term nature. Non-Government investments were generally not held for conversion to another form of investment within the current year. Examples of non-government investments included stocks, bonds, loans to subsidiaries, treasury stocks

reported as assets, and other types of financial securities.

Real estate not reported as a fixed asset could also be included. In certain instances, land and buildings owned by real estate operators (except lessors of real property other than buildings) were reported as Other Investments. Certain insurance carriers also included their real holdings (other than their home and branch office buildings and equipment) in this asset category.

When inventories were reported by companies within certain financial industries, the amounts were included in the statistics for Other Investments. For commodity brokers, dealers, and exchanges and other holding and investment companies (except bank holding companies), inventories were included in Other Investments for those companies which were nonconsolidated or consolidated with only financial subsidiaries. Inventories were included in Other Investments when reported by security brokers and dealers, whether consolidated or nonconsolidated.

The statistics may be somewhat overstated by amounts reported for treasury stock. When treasury stock held for resale or for future distribution was reported as an asset, rather than a liability, the treasury stock was included in the statistics for Other Investments.

Balance sheet data for mutual property and casualty insurance companies were extracted from the income tax return, Form 1120-PC, rather than the annual statement, beginning with Tax Year 1987. Prior to 1987, these companies filed tax returns on Form 1120M, which did not include a balance sheet. The balance sheet data were then extracted from the annual statement attached to the returns.

Some mutual property and casualty insurance companies included Investments in Government Obligations with Other Investments on the income tax return, Form 1120-PC. When identified, the amounts were included in the statistics for Investments in Government Obligations and excluded from Other Investments.

The comparability of balance sheet data could have been affected by differences in reporting on the annual statement for years prior to 1987 and on the income tax return Form 1120-PC, beginning with 1987. Comparison of data reported on the annual statement to that reported on the Form 1120-PC indicated that Investments in Government Obligations was often more clearly identified on the annual statement than on the income tax return. Thus, the statistics could be overstated for Other Investments and understated for Investments in Government Obligations, to the extent that Investments in Government Obligations may not have been identified on the tax return.

Stock property and casualty insurance companies also filed income tax returns on the Form 1120-PC, beginning with 1987. However, prior to 1987 these companies reported balance sheet data on the income tax return, Form 1120 or Form 1120-A, rather than an annual statement. Therefore,

the comparability of balance sheet data, before and after 1987, was not generally affected by the tax return filed by nonlife stock insurance companies.

Other Investments and Loans

This item, shown in Tables 4 and 5, was the sum of loans to stockholders, mortgage and real estate loans, and other investments. Each was described separately under its own heading in this section.

Other Liabilities

Other liabilities were obligations which were not allocable to a specific account on the balance sheet and which were either noncurrent accounts, in general not due within 1 year, or accounts which could not be identified as either current or long-term. The excess of reserves for amortization, depreciation, and depletion over the respective asset accounts were included in this balance sheet account.

Examples of other liabilities were deferred or unearned income not reported as part of a current account, provisions for future taxes based on the effects of either accelerated depreciation or possible income tax adjustments such as for the investment credit, and principal amounts of employee and similar funds. Accounts and notes payable, borrowed securities, commissions, intercompany accounts, loans, overdrafts, and unearned income are also included.

Balance sheet data for mutual property and casualty insurance companies were extracted from the income tax return, Form 1120-PC, rather than the annual statement, beginning with Tax Year 1987. Prior to that year, these companies filed tax returns on Form 1120M, which did not include a balance sheet. The balance sheet data were then extracted from the annual statement attached to the returns.

The comparability of balance sheet data could have been affected by differences in reporting on the income tax return Form 1120-PC, beginning with 1987, and on the annual statement for years prior to 1987. Mutual property and casualty insurance companies frequently included Losses in Other Liabilities on the income tax return. Whereas in prior years, Losses were reported on the annual statement and included in Other Current Liabilities during statistical processing. Thus, Other Liabilities may be overstated while Other Current Liabilities may be understated, compared to the pre-1987 data, obtained from the annual statement.

However, beginning in 1990, the Form 1120-PC provided a separate balance sheet line item specifically for the reporting of insurance liabilities (e.g., Losses). For purposes of this report, insurance liabilities were included in Other Current Liabilities. Therefore, the treatment of Losses for mutual property and casualty insurance companies tended to be uniform for all Form 1120-PC filers (returning to a pre-1987 treatment).

Stock property and casualty insurance companies also filed income tax returns on the Form 1120-PC, beginning with 1987. However, prior to 1987 these companies reported

balance sheet data on the income tax return, Form 1120 or Form 1120-A, rather than an annual statement. Therefore, the comparability of balance sheet data, before and after 1987, was not generally affected by the tax return filed by nonlife stock insurance companies.

Other Receipts

Other receipts included amounts not elsewhere reported on the return form, such as: profits from sales of commodities other than the principal commodity in which the corporation dealt; income from minor operations; cash discounts; income from claims, license rights, judgments, and joint ventures; net amount earned under operating agreements; profit from commissaries; profit on prior-years' collections (installment basis); profit on the purchase of a corporation's own bonds; recoveries of losses and bad debts previously claimed for tax purposes; refunds for the cancellation of contracts; and income from sales of scrap, salvage, or waste.

Also regarded as other receipts were certain dividends received, such as from Federal Reserve and Federal Home Loan Banks, and from the following special classes of corporations: corporations deriving a large percent of their gross income from sources within a U.S. possession; and tax-exempt charitable, educational, religious, scientific and literary organizations, and mutual and cooperative societies including farmers' cooperatives. Payments with respect to security loans and net foreign currency gains for regulated investment companies were also included.

See also, Business Receipts.

Overpayments less Refund (*)

This includes 1991 overpayment credited to 1992 plus 1992 estimated tax payments less 1992 refund applied for on Form 4466. This item was reflected in Tables 18 and 20.

Paid-In or Capital Surplus

This balance sheet item comprised additions to the corporation's capital from sources other than earnings. These sources included appreciation of assets, receipts from the sale of capital stock in excess of stated value, stock redemptions or conversions, and similar transactions. The amounts shown were after deducting any negative amounts.

Part-Year Returns

Part-year returns were those filed for accounting periods of less than 12 months. Such returns were filed as a result of business liquidations, reorganizations, mergers, and changes to new accounting periods. Data from part-year returns were included in the statistics. (See Figure B in section 1 for the percentage of returns filed for each of the accounting periods covered in this report.)

Pension, Profit Sharing, Stock Bonus, and Annuity Plans

Employers who maintained a pension, profit-sharing or other funded deferred compensation plan were required to

file a Form 5500, 5500-C, 5500-R, or 5500-EZ depending on the number of participants. Contributions made by employers to these plans were deductible under Code section 404. Excess contributions could be carried over to succeeding years.

Amounts labeled "pension" in the Other Deductions schedule were included in the statistics for contributions to pension and profit-sharing plans. Companies other than mining companies that reported an amount for a combination of welfare/retirement plans, the combined amount was included in the statistics for contributions to pension and profit-sharing plans. Amounts found in Other Deductions for an 1120-A return identified, as pension and profit-sharing, stock bonus, and annuity plans, were included in these statistics.

This item was not reported for Regulated Investment Companies and Real Estate Investment Trusts.

Pension and profit-sharing identified as part of the cost of sales and operations, or capitalized under Section 263A, was excluded from cost of sales and included in the statistics as pension, profit-sharing, stock bonus, and annuity plans.

Personal Holding Company Tax

In addition to the regular income tax and the alternative minimum tax, corporations classified as personal holding companies could be liable for a tax equal to 28 percent of their undistributed personal holding company income. A corporation was treated as a personal holding company under Section 542 if at least 60 percent of its adjusted ordinary gross income for the tax year was personal holding company income and, at any time during the last half of the tax year, more than 50 percent of the value of its outstanding stock was owned directly or indirectly by not more than five individuals.

The tax was imposed on the personal holding company's undistributed income after certain adjustments less the dividends paid deduction. Since most personal holding companies distributed all of their personal holding company income, only a small number were actually liable for the tax.

The tax was included in the statistics for industries other than Holding and Other Investment Companies, because a personal holding company could be a subsidiary included in a consolidated return classified in another industry. The following corporations were exempt from personal holding company tax: corporations exempt from income tax, banks, domestic building and loan associations, life insurance and security companies, certain lending and finance companies, foreign personal holding companies, and certain small business investment companies.

The statistics could be slightly understated because the personal holding company tax was not always reported separately from the regular income tax.

Prior Year Minimum Tax Credit

Beginning in 1988, corporations could reduce their regular

income tax liability with the prior year minimum tax credit, if an alternative minimum tax had been paid for any year after 1986. The credit was designed to prevent double taxation of the same income. The dual tax could result from the imposition of tax on the same income under the alternative and regular tax systems. Under the alternative tax system, a corporation could be required to pay a portion of tax that would otherwise be deferred under the regular system. The minimum tax credit could act as a mechanism to coordinate the two tax systems.

The credit was allowed for a portion of the alternative minimum tax from a prior year. The prior year alternative minimum tax was recomputed to disregard three tax preference items: percentage depletion, charitable contributions of appreciated property, and tax exempt interest on bonds. The credit was limited to the excess of regular tax after credits over the current year tentative minimum tax. Any unused portion of the prior year minimum tax credit could be carried forward indefinitely to reduce the regular tax. The credit was not designed to reduce any minimum tax liability. There were no carryback provisions for this tax credit.

See also, Alternative Minimum Tax.

Real Estate Investment Trust

Certain corporations, trusts, or associations elected to be taxed as a real estate investment trust (REIT). To qualify as a real estate investment trust, the trust had to meet certain ownership, purpose, income and diversification requirements. A beneficial ownership of the trust had to be established through transferable shares or transferable certificates of beneficial interest. Although the beneficial ownership had to be held by 100 or more persons, this rule did not apply for the first tax year of the trust. The trust could not be closely held i.e., five or fewer persons could not hold ownership of more than 50 percent of the trust. This rule did not apply for the first tax year of the trust.

To qualify as a real estate investment trust for any tax year, the trust also had to satisfy certain gross income and diversification of investment requirements. These requirements were established through limitations on income. The limitations were imposed on the components of income and percentages of total gross income from certain components. For the purpose of computing the limitations, certain prohibited income was excluded from the total gross income.

At least 95 percent of the total gross income of a real estate investment trust was required to be from: (a) dividends, (b) interest, (c) rents from real property, (d) gain from the sale of stock, securities, and real property, (e) abatements and refunds of taxes on real property, (f) income and gain from foreclosure property, (g) gain from the sale of a real estate asset which was not a prohibited asset, and (h) amounts received or accrued as consideration for entering into agreements:

- (1) to make loans secured by mortgages (on real property or on interest in real property); or
- (2) to purchase or lease real property (including interest in real property and interest in mortgages on real property).

At least 75 percent of the total gross income of a real estate investment trust had to be derived from (a) rents from real property, (b) interest on obligations secured by mortgages on real property (or on interests in real property), (c) gain from the sale of real property (included interests in real property and interest in mortgages on real property) which was not prohibited property or property held primarily for sale to customers in the ordinary course of business, (d) dividends and gain from the sale of transferable shares (or transferable certificates of beneficial interest) in other qualified real estate investment trusts (e) abatements and refunds of taxes on real property, (f) income and gain from foreclosure property, (g) gain from the sale of a real estate asset which was not a prohibited sale, and (h) amounts received or accrued as consideration for entering into agreements concerning real property.

Less than 30 percent of the total gross income of a real estate investment trust could be derived from the sale or other disposition of: (a) stock or securities held for less than one year (b) property in a transaction which was a prohibited transaction, and (c) real property (including interests in real property and interests in mortgages on real property) held for less than four years other than:

- (1) property converted involuntarily or in compliance with tax laws, and
- (2) property which was foreclosure property.

At the close of each quarter of a taxable year, a real estate investment trust also had to satisfy certain asset requirements. At least 75 percent of its total assets were to consist of real estate assets, cash and cash items (including receivables), and Government securities. No more than 25 percent of its total assets could consist of securities other than Government securities. Limitations were further imposed on the amount of securities that could be issued to the trust by any one issuer. For a single issuer, the value of securities was limited to 5 percent of the total assets of the trust and to 10 percent of the outstanding voting securities of the issuer.

Financial institutions, such as mutual savings banks, cooperative banks, domestic building and loan associations, savings and loans associations and insurance companies to which subchapter L of the Code applies could not make this election. Foreign corporations were also excluded from this provision of U.S. tax law.

Recapture of Investment Credit

This tax was formerly described as Tax from Recomputing Prior-Year Investment Credit, in the statistics. The recapture tax was required when depreciable (or amortizable) property, used in computing the investment credit of

a prior year, was either disposed of or ceased to be qualifying property before the end of its useful life assumed at the time the credit was originally computed.

The tax was payable for the year in which the property was disposed of or became disqualified. It amounted to the difference between the credit originally claimed, based on the intended life in the year of acquisition, and the credit that would have been allowed, based on the actual life in the year of disposition or disqualification.

For investment credit property placed in service after 1980, a 2-percent recapture rule applied. The regular credit was computed upon early disposition by allowing a 2 percent credit for each year the property was held. Therefore, no recapture was required for eligible 5-year, 10-year, or 15-year recovery property held for at least 5 years or for eligible 3-year property held for at least 3 years. If certain listed property such as transportation, entertainment, recreation or amusement property placed in service after June 18, 1984 ceased to be used predominantly for business, corporations would have to recapture the investment credit claimed for the property. Unless otherwise indicated, the recapture tax of investment credit was included in the statistics for Income Tax in this report.

See also, Investment Credit.

Recapture of Low-Income Housing Credit

The Tax Reform Act of 1986 introduced the low-income housing credit. The Tax Act made the credit available for owners of qualified residential rental property which provided low-income housing. A 15 year compliance period for maintaining certain requirements was imposed on the residential rental building. Since the low-income housing credit was first claimed for Tax Year 1987, the recapture became applicable for 1988.

A part of the low-income housing credit, claimed in a previous year, had to be recaptured in a current tax year throughout the compliance period when:

- (1) an owner's qualified basis in the building decreased from the previous tax year, or
- (2) the building or an interest in the building was disposed of after the credit was taken in previous years, or
- (3) a building failed to meet the percentage requirements for the number of low-income units ("set aside" requirements).

The decrease in basis had to exceed any additions to the qualified basis in the property after the property was placed in service. The recapture rule was not required for disposition of a building, if the owner had posted a satisfactory bond.

The amount of the recapture was based on the accelerated portion of the low-income housing credit claimed in previous years. This amount was generally equivalent to one-third of the previously claimed credit. The decrease in qualified

basis, expressed as a percent of the total qualified basis in the rental property, was applied to the accelerated portion of the credit. For cases involving the disposition of the building or failure to meet the percentage requirements for low-income units, the full amount of the accelerated portion of the previously claimed credit was to be recaptured.

Interest was added to the recaptured accelerated portion of the credit to determine the final amount of the credit recapture. The interest was charged at the federally prescribed overpayment rate and determined quarterly. The interest could not be used as a business deduction against income.

No income tax credits could reduce the amount of the credit recapture. Any amount of unused low income housing credit, carryforwards and carrybacks, were also to be decreased by the amount of the recapture.

Refund of Estimated Tax Payments

A corporation which determined that it had overpaid its estimated tax could file for a quick refund or adjustment of the overpayment even before it filed its return. The estimated tax overpayment had to be at least \$500 and be at least 10 percent of the expected final income tax liability reported on the tax return. The application for refund had to be made within 2-1/2 months after the close of the taxable year and before the corporation had filed its income tax return.

Regular Tax

See Income Tax, in this section.

Regulated Investment Company

A regulated investment company had to be a domestic corporation registered with the Securities and Exchange Commission. The company was registered as a management company, business development company, or a unit investment trust (defined under the Investment Act of 1940) or a common trust fund or similar fund (excluded from the definition of investment company under the 1940 Act) which was not exempt from taxation as a corporation under section 584 of the Internal Revenue Code.

A regulated investment company was required to derive at least 90 percent of its gross income from dividends, interest, payments related to securities loans, and gains from the sale of stock or securities, foreign currencies, or other income related to its business of investing in such stock, securities or currencies. Less than 30 percent of the total gross income could be derived from the sale or other disposition of any of the following held for less than three months: stock or securities, options, futures, forward contracts, or foreign currencies not directly related to company's principal business.

Certain restrictions also applied to the deduction for dividends paid (excluding capital gain dividends) of a regulated investment company. This deduction had to equal or exceed the sum of: 90 percent of the company's taxable income (without regard to the dividend deduction) and 90 percent of

its net income from tax exempt obligations.

Certain rules limiting diversified investments were also imposed on a regulated investment company. The company was required to meet those rules at the close of each quarter of its taxable year. At least 50 percent of its total assets had to be cash and cash items (including receivables), Government securities, securities of other regulated investment companies and other securities.

Limitations were further imposed on the amount of securities that could be issued to a regulated investment company by any one issuer. For a single issuer, the value of securities was limited to 5 percent of the total assets of the regulated investment company and to 10 percent of the outstanding voting securities of the issuer. Not more than 25 percent of the total assets of the regulated investment company could be invested in securities of any one issuer, or of two or more issuers (if controlled by the regulated investment company) engaged in the same or similar trades or businesses.

If a regulated investment company had more than one fund, each fund was treated as a separate corporation for income tax purposes.

Rent Paid on Business Property

This deduction consisted of rents paid for the use of land or structures, and rents paid for leased roads, rolling stock, and work equipment for railroad companies. Some corporations reported taxes paid and other specific expenses with rents paid. When identified, those items were included in the statistics for the respective deductions and excluded from Rents Paid.

Rent identified as part of the cost of sales and operations, or capitalized under Section 263A, was excluded from cost of sales and included in the statistics as rent paid on business property.

Rents

These were the gross amounts received for the use or occupancy of property. Expenses related to rental property, such as depreciation, repairs, interest paid, and taxes paid, were not deducted directly from the rental income, but were reported as business deductions from total receipts. Corporations engaged in manufacturing, public utilities, wholesale and retail trade, and services frequently leased rather than sold their products. The rental income of those companies was included in the statistics for Business Receipts, rather than in Rents. For real estate operators and condominium management and cooperative housing associations, rental income was included in Business Receipts rather than in Rents, if the expense schedule indicated that the owner operated the building rather than leased it. Rent received by hotels, motels and other lodging places was also included in Business receipts.

No rent is reported for Regulated Investment Companies or S corporations.

Repairs

Repairs reported as an ordinary and necessary business expense were the costs of maintenance and incidental repairs and could include the cost of labor, supplies and other items which did not add to the value or appreciably prolong the life of the property. Expenditures for permanent improvements which increased the cost or basis of the property were treated as capital expenditures and were generally depreciable. Regulated investment companies do not report Repairs.

Research Activities Credit

The research credit was the sum of: 1) 20 percent of the excess of qualified research expenses for the current year over the average research expenses in the base period (the three immediately preceding tax years) and 2) 20 percent of the university basic research payments. The base period research expenses could never comprise less than half of the qualified research expenses for the current tax year. In the case of a short taxable year, research expenditures were annualized.

Research was limited to research undertaken to discover information, technological in nature and useful in the development of a new or improved business component. The research had to be conducted within the United States and could not involve the social sciences or humanities. Research funded by another person, by a grant, or by a government agency was ineligible for the credit.

The research activities credit (but not the orphan drug credit) was claimed as one of the components of the general business credit. For a discussion of the income tax limitations and carryback and carryforward provisions of the credit, see: General Business Credit.

The research activities credit was included (as a component) in the general business credit shown in the tables. The components of the general business credit were shown separately in Table 21.

Retained Earnings, Appropriated

Earnings set aside for specific purposes and not available for distribution to stockholders were included under this heading. Included were guaranty funds (for certain finance companies), reserves for plant expansion, bond retirements, contingencies for extraordinary losses and general loss reserves. Also included were the total amount of all the companies reserves not defined as valuation reserves or reserves included in other liabilities. Specifically excluded were the reserves for bad debts, depreciation, depletion, and amortization, which are shown separately in this report. Unrealized appreciation was included in retained earnings unappropriated. Unrealized profits were included in other liabilities. Unearned income, if not current, was also included in other liabilities. Any amount of retained earnings not identified as appropriated or unappropriated was considered unappropriated for purposes of these statistics.

Retained Earnings, Unappropriated

Retained earnings, unappropriated, consisted of the retained earnings and profits of the corporation less any reserves (these reserves are shown in the statistics as Retained Earnings, Appropriated). Dividends and distributions to stockholders were paid from this account. These accumulated earnings included income from normal and discontinued operations, extraordinary gains or losses, and prior period adjustments. Also included were undistributed or undivided earnings (income or profits), and earned surplus. For railroads, these earnings included additions to property and funded debt retired through income and surplus. Net amounts, after reduction for negative amounts reported, were presented in the statistics.

Beginning with 1990 and continuing thereafter, the statistics included amounts from Forms 1120S. The data for prior years were shown separately for the Forms 1120S as "Other Retained Earnings, 1120S" in most tables. The components of Other Retained Earnings, 1120S were shown separately in the table limited to Form 1120S returns.

Returns of Active Corporations

These returns were the basis for all financial statistics presented in the report. They comprised the vast majority of the returns filed, and were defined for the statistics as returns of corporations reporting any income or deduction items including tax-exempt interest.

Returns of Inactive Corporations

Corporations in existence during any portion of the taxable year were required to file a return even though they may have been inactive (Code section 6012(a)(2)). Inactive corporations were defined for this report as returns showing no item of income or deduction. Financial data from these returns were excluded from the statistics.

Returns With Net Income

Returns with net income were those showing gross taxable receipts exceeding the ordinary and necessary business deductions allowed by the Code. See Net Income (or Deficit).

Returns Without Net Income

Returns without net income were those for which ordinary and necessary business deductions allowed by the Code exceeded gross taxable receipts. In addition to deficit returns, this classification also included returns whose gross taxable receipts and business deductions were equal. See Net Income (or Deficit).

Royalties

Royalties were gross payments received, generally on an agreed percentage basis, for the use of property rights before taking deductions for depletion, taxes, etc. Included were amounts received from such properties as copyrights, patents, and trademarks; and from natural resources such as timber, mineral mines, and oil wells. Expenses relating to

royalties, depletion or taxes, were not deducted directly from this income, but were reported among the various business deductions from total gross income. No royalties are included in the statistics for Regulated Investment Companies, Real Estate Investment Trusts and S corporations.

Excluded from the statistics were certain royalties received under a lease agreement on timber, coal deposits, and domestic iron ore deposits, which were allowed special tax treatment. Under elective provisions of Code section 631, the net gain or loss on such royalties was included in the computation of net gain or loss on sales or exchanges of certain business property under section 1231. If the overall result of this computation was a net gain, it was treated as a long-term capital gain. If the overall result was a net loss, it was fully deductible in the current year as an ordinary noncapital loss.

See the discussions of Net Capital Gains and Net Gain (or Loss), Noncapital Assets.

S Corporation Returns (*)

Form 1120S, U.S. Income Tax Return for an S Corporation, was filed by corporations electing to be taxed through their shareholders under Code section 1362.

To qualify as an S corporation, a firm had to be a domestic corporation which was not a member of an affiliated group (as defined by Code section 1504) and did not:

- (1) have more than 35 shareholders;
- (2) have as a shareholder a person (other than an estate or trust) who was not an individual;
- (3) have a nonresident alien as a shareholder; and
- (4) have more than one class of stock.

An S corporation also could not be a financial institution that was a bank, including certain mutual savings banks, cooperative banks, and domestic building and loan associations, or an insurance company (other than certain stock casualty companies). A corporation electing a possessions tax credit could not also elect to be an S corporation. A FSC or an IC-DISC or former DISC was also excluded from making an election to be treated as an S corporation.

An election could be terminated, when among other reasons, an S corporation had for each of three consecutive tax years: both Subchapter C earnings and profits and more than 25 percent of gross receipts derived from passive investment income as defined in Section 1362(d)(3)(D).

Every S corporation was required to file a return on Form 1120S even though it may not have been liable for an income tax. The corporation reported gross income and allowable deductions from its ordinary trade or business activities. The net income (total income less total deductions) from the corporation's ordinary trade or business was passed through (deemed distributed) to its shareholders. In contrast, income from passive activities as well as income from portfolio investments could not be reduced by related expenses before being passed through to the shareholders. Generally, each

shareholder's share of the income and expenses and the net income from the trade or business of the corporation was passed through pro-rata on a per-share, daily basis. The income and expenses related to passive activities and portfolio investments and the net income (or loss) from the business operations were reported on Schedule K of the Form 1120S.

The Tax Reform Act of 1986 required that all S corporations use a permitted tax year, regardless of when they became S corporations. A permitted tax year was a tax year ending December 31 (a calendar tax year) or any other ending accounting period, if the S corporation established a business purpose for the accounting period to the satisfaction of the Internal Revenue Service. The permitted tax year was effective for tax years which began after December 31, 1986. Subsequent changes to this provision allowed S corporations an election to have an accounting period other than the permitted tax year. Certain restrictions were imposed on the election. The deferral period between tax years could not be longer than 3 months and the S corporation could be a member of a tiered structure that consisted only of partnerships or S corporations.

Also added by the 1986 Tax Act, Code section 469 generally limited shareholders from offsetting any income that was not from passive activities with losses from passive activities. The shareholders also could only offset taxes on income from passive activities with credits from those passive activities. These limitations required that S corporations report income or loss separately on Schedule K for each of the following types of passive activities: (1) rental real estate activity, (2) rental activity other than real estate rental, and (3) portfolio income and related expenses not derived in the ordinary course of a trade or business, such as interest, dividends and royalties, for example. Other items that were separately stated on Schedule K included: section 1231 net gain or loss; charitable contributions; health insurance premiums; section 179 expense deduction; low-income housing credit, qualified rehabilitation expenses, and other credits; investment interest expense; and tax preference and adjustment items for shareholders to compute their alternative minimum tax.

For corporations which elected to be S corporations after December 31, 1986, a tax was imposed on built-in capital gains. An S corporation could be liable for the built-in gains tax if:

- (1) it were a corporation with subchapter C earnings and profits prior to making the election to be treated as an S corporation,
- (2) it had a recognized built-in gain within 10 years from the first day of the first tax year it became an S corporation, or
- (3) the recognized built-in gains for the tax year did not exceed the net unrealized built-in gain minus the recognized built-in gains that were subject to tax for prior years within the recognition period (10 years).

The net unrealized built-in gain was the amount by which

the fair market value of the assets of the S corporation exceeded the aggregate adjusted basis of the assets held by the corporation on the first day of its first effective tax year as an S corporation. Any gain on the disposition of those assets was to be considered as a recognized built-in gain by the S corporation during the first 10 years of its existence.

The tax was imposed on the lesser of: (a) the recognized built-in gain for the tax year or (b) an amount of taxable income computed as though the corporation were not an S corporation. For corporations which elected to be treated as S corporations on or after March 31, 1988, any built-in gains in excess of the current year taxable income limitation was to be treated as a recognized built-in gain for the following tax year.

For purposes of computing the taxable amount of the built-in gains, the S corporation was allowed a carryforward of any net operating loss (NOL) or capital loss from the period when it was not an S corporation. Certain business credit carryforwards from when an S corporation was a C corporation could also reduce the tax on recognized built-in gains. The tax was imposed at a 34 percent rate. The recognized built-in gains tax was included in the statistics for Total Income Tax.

If a corporation made an election to be treated as an S corporation before January 1, 1987, the S corporation may incur a tax liability for income tax imposed on certain capital gains. Other corporations which filed an election during 1987 and 1988 to become an S corporation may qualify for a partial transitional relief from the built-in gains tax and instead be liable for the capital gains tax. Any portion of the capital gains not subject to tax at the corporate level were passed through to the shareholders on a pro-rata per-share basis and included in their income subject to tax. Section 1374 of the Code before the enactment of the Tax Reform Act of 1986 provided that the tax be imposed on the lower of the following: (1) the portion of net long-term capital gain (reduced by net short-term capital loss) that exceeded \$25,000 when net long-term capital gain was more than 50 percent of a net income that was over \$25,000, or (2) net income computed as though the corporation were not an S corporation, or (3) a net capital gain from property with a substituted basis (i.e., the basis that was transferred from another corporation which was not also an electing S corporation). After July 1987, capital gains were taxed at the regular income tax rate of 34 percent for all corporations.

Beginning in 1991 per I.R. Code section 162(I)(5), accident and health premiums paid by an S Corporation on behalf of employee-shareholders owning more than 2 percent of S Corporation stock were deductible by the corporation. These premiums however, remain includible in the recipient employee-shareholder's gross income.

Foreign tax credit, U.S. possessions tax credit, orphan drug credit, nonconventional source fuel credit, and general business credit were not available to the corporation to reduce this

tax. (The cost of investment credit property was allocated to shareholders for their use in computing their credits.) Total income tax in the statistics also includes taxes paid by S corporations for the recapture of LIFO inventory and for recomputing a prior year investment credit. Also, see Excess Net Passive Income Tax for a description of that tax as provided under Subchapter S of the Code.

Size of Business Receipts

Returns for nonfinance industries were classified by size of gross receipts from sales and operations. Returns of industries within the finance, insurance, and real estate industrial division were classified by size of total receipts (the sum of business receipts and investment income).

See: Business Receipts and Total Receipts.

Size of Income Tax After Credits

This classification was based on the amount of total income tax less the sum of credits for: foreign taxes; U.S. possessions tax; orphan drug research; the production or sale of fuels from nonconventional sources; general business incentives; and prior year minimum tax. Total income tax included the regular tax, personal holding company tax, recapture taxes for investment credit and low-income housing credit, alternative minimum tax, environmental tax, branch tax (Form 1120F), taxes paid by real estate investment trusts on certain income from: foreclosure property, failure to meet source of income requirements, and prohibited transactions (Tax from Part II, Part III, and Part IV, Form 1120-REIT, respectively), tax on undistributed net capital gain of regulated investment companies (Tax from Part II, line 4, Form 1120-RIC), taxes paid by S corporations on excess net passive income, certain capital gains, net recognized built-in gains, and adjustments to income tax. For S corporations, only the tax on certain net recognized built-in gains was reduced by a carryover of general business credits from previous years as a C corporation.

Size of Total Assets

Size of total assets was based on the amount reported in the end-of-year balance sheet. Returns with zero assets were used as a classification for returns of: (1) liquidating or dissolving corporations which had disposed of all their assets and whose income tax returns were final returns; (2) merging corporations whose assets and liabilities were included in the returns of the acquiring corporations; (3) corporations filing a part-year tax return because of a change in accounting period; and (4) foreign corporations with income effectively connected with the conduct of a trade or business within the United States.

Statutory Special Deductions

Statutory special deductions represented the sum of the deductions for: (1) net operating losses of prior years, (2) total special deductions as defined by the Code, i.e., the sum of deductions for dividends received and for dividends paid on certain preferred stock of public utilities, (3) deduction

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for dividends paid for Regulated Investment Companies and Real Estate Investment Trusts, and (4) Section 857(b)(2)(E) deduction reported by Real Estate Investment Trusts. Since these deductions were allowed by law, in addition to ordinary and necessary business deductions, they were shown in the statistics as deductions from net income. In general, net income less statutory special deductions equaled income subject to tax. However, the dividend deduction was not restricted to returns with net income, nor, in general, to the amount of net income, and thus became part of the statutory net operating loss for some corporations. Special deductions for dividends were not allowed to S corporations which elected to be taxed through shareholders. However, S corporations, which were C corporations prior to the S election, could reduce their net recognized built-in gains by the net operating loss carried forward from those years as a C corporation.

The statutory special deductions contained in the statistics were defined as follows:

- (1) Net operating loss deduction (NOLD)-The total net operating loss deduction was based on statutory net operating losses of prior or subsequent years which could be used to reduce taxable income for a specified number of years. The amount shown in this report, however, consisted only of losses from prior years actually used to reduce taxable income for the current year. Losses incurred after the current year and carried back to that year at a later date would be reported on amended income tax returns. Amended income tax returns were not used for this report. In general, losses were carried back over a 3-year period, chronologically, and any amount not offset against income during that time could then be carried forward against income for a period not exceeding 15 years. A corporation however, could carry back for 10 years, the part of a net operating loss attributable to a product liability loss.

Real Estate Investment Trusts (REIT's) could not carry back any net operating loss (NOL) but could carry over the NOL for fifteen years. Regulated Investment Companies (RIC's) were not allowed a NOLD. S corporations which were formerly C corporations were allowed to use any carryover of net operating losses from previous years as a C corporation. However, this carryover could reduce only the net recognized built-in gains of the S corporation. The former provisions for a ten year carryback and five year carryover period for banks was repealed for taxable years that began after 1986. Thereafter, banks were generally allowed a carryback period of 3 years and a carryover period for 15 years. Except that, a special 10 year carryback provision was allowed to certain commercial banks which used the specific charge-off method for computing bad debts.

Net operating losses on which the current year deduction was based included: (a) the excess of ordinary and necessary

business expenses over income in the previous loss years, and (b) statutory special deductions claimed in the loss year for dividends received and for dividends paid on certain preferred stock of public utilities (or any excess of such deductions over net income).

The net operating loss deducted for the current year was the excess of allowable deductions over gross income with certain adjustments: no NOLD was allowed, and capital losses were only deductible to the extent of capital gains. A deduction for dividends received was allowed without regard to limitations.

- (2) Total special deductions-For stock acquired after March 1, 1986, no deduction was allowable if the corporation held the stock for 45 days or less, or 90 days or less if it was cumulative preferred stock. The total special deductions contained in this report were the sum of the following deductions:

- (a) Dividends received deduction-The intercorporate dividends received deduction, under Code sections 243-246, was the sum of the following components:

- (1) Deductions equal to 70 percent of dividends received from less than 20 percent owned domestic corporations, and 80 percent of dividends received from 20 percent or more owned domestic corporations - These particular deductions accounted for the major portion of the dividends received deduction. A small business investment company, operating under the Small Business Investment Act of 1958 could deduct 100 percent of dividends received from domestic corporations subject to income tax.
- (2) A deduction reduced from the 80 percent/70 percent dividends received from debt financed portfolio stock - The 80 percent/70 percent deduction was reduced by a percentage that was related to the amount of debt incurred to acquire the stock. This reduction was calculated by multiplying the difference between 100 percent and the average portfolio indebtedness by 80 percent or 70 percent, depending on the percentage of ownership.
- (3) A deduction equal to 70 percent of certain dividends received from less than 20 percent owned foreign corporations and 80 percent of certain dividends received from 20 percent or more owned foreign corporations -
 - (a) which had been engaged in a trade or

business within the United States for at least 3 years and

- (b) which also had at least 50 percent of their gross income effectively connected with the U.S. trade or business. To qualify for the deduction the corporation must own at least 10 percent of the stock of the foreign corporation by vote and value.
- (4) A deduction equal to 100 percent of certain qualifying dividends received by members of an affiliated group not electing to file consolidated returns, but sharing instead, one set of graduated income tax brackets under Code section 1561;
- (5) A deduction equal to 100 percent of dividends received from wholly-owned foreign subsidiaries whose entire gross income was effectively connected with the conduct of a trade or business within the United States;
- (6) Deductions equal to about 41 percent of dividends received on certain preferred stock of less than 20 percent owned public utilities and about 47 percent of dividends received on certain preferred stock of 20 percent or more owned public utilities for which a dividends paid deduction, described below, was also allowed the distributing corporation;
- (7) In the case of life insurance companies, the above percentage deductions were further reduced by the ratio of investment yield less total exclusions (operations) to investment yield.
- (b) Limitation on the Dividends Received Deduction-The aggregate amount of dividends received deductions that a corporation could take was limited to 70 percent (80 percent for 20 percent owned corporations) of its taxable income. For limitation purposes taxable income was computed without regard to any net operating loss deduction, dividends received or paid deduction or capital loss carryback. The limitation did not apply for the year if the full dividends received deduction resulted in a net operating loss. Small business investment companies were also excluded from this limitation.
- (c) Deduction for dividends paid on certain preferred stock of public utilities-For public utility companies, as defined by law, a special deduction was allowable under Code section 247 for dividends if paid on certain preferred cumula-

tive stock deemed issued prior to October 1, 1942. This deduction, based on the income tax rate, amounted to about 41 percent of the dividends paid on such stock. If the dividends paid were greater than net income reduced (in general) by all other statutory special deductions for the year, the deduction could not exceed the above described percentage of net income after this adjustment.

- (3) Deduction for Dividends Paid for Regulated Investment Companies and Real Estate Investment Trusts-The deduction for dividends paid as reported by Regulated Investment Companies and Real Estate Investment Trusts was generally the sum of (1) dividends paid during the taxable year, (2) the consent dividends for the taxable year, and (3) for personal holding companies, the dividend carryover as described in Code section 564.

For Regulated Investment Companies, the deduction must equal or exceed the sum of: 90 percent of its taxable income (excluding the dividend deduction) and 90 percent of its net income from tax exempt obligations.

For Real Estate Investment Companies, the deduction must equal or exceed the sum of: 95 percent of its Real Estate Investment Trust taxable income (excluding the dividend deduction and any net capital gain) and 95 percent of the excess of its net income from foreclosure property over the tax imposed on such income by Code section 857(b)(4)(A), minus any excess noncash income as determined under Code section 857(e).

- (4) Section 857(b)(2)(E) deduction reported by Real Estate Investment Trusts-This deduction was equivalent to the tax imposed on Real Estate Investment Trusts that fail to meet the income requirements. Generally, a 100 percent tax was imposed on the net income attributable to the greater of the amounts by which the trust failed to meet the 75 percent or 95 percent income test as outlined in the definition for Real Estate Investment Trusts.

Taxable Income

See Income Subject to Tax.

Tax Deposited with Form 7004 (*)

These statistics were derived from the income tax returns, rather than from Form 7004, Application for Automatic Extension of Time to File Corporation Income Tax Return. The automatic extension of time to file a corporate tax return was 6 months.

A request for an extension of time to file the return did not postpone the payment of tax. When an extension was filed on Form 7004, the full amount of tax liability was due.

The statistics may be slightly understated because of taxpayer reporting variations and because of the inability to identify the total amount of the payments from the tax returns.

Tax Due at Time of Filing

Tax due was the amount by which the income tax liability at the time the return was filed exceeded payments and credits for certain taxes previously paid. For a corporation to have an income tax liability, the regular income tax less certain credits plus other taxes were not reduced to zero. The regular income tax could be reduced to zero by credits for: foreign taxes, possessions tax, orphan drug research, the production or sale of fuels from nonconventional sources, general business incentives, and prior year minimum tax. Other taxes consisted of: tax on the undistributed income of personal holding companies; recapture taxes of investment credit and low-income housing credit; environmental tax; tax on excess net passive income, certain net long-term capital gains, and net recognized built-in gains of S corporations; tax on the undistributed net capital gain of regulated investment companies; tax on the net income of foreclosure property, failure to meet income requirements, and prohibited transactions of real estate investment trusts; and the branch tax of foreign corporations.

Based on this total income tax, tax due was the amount of the remaining tax liability plus any penalty for underpayment of estimated tax after taking into account: (a) credit for taxes deemed paid by regulated investment companies on undistributed capital gain dividends; (b) payments with applications for extension of time in which to file; (c) estimated tax payments less refunds; (d) credit for federal taxes on fuels; (e) prior year overpayment of tax applied to current year; (f) credit by reciprocal for tax paid under Code section 835(d); and (g) 1988 special estimated tax payments from property and casualty insurance companies.

The entire tax due could be paid with the return at the time of filing, or the corporation could elect to pay the tax due in two equal installments. One installment had to be paid at the prescribed time of filing. The balance was due not later than 3 months after that date.

Some adjustments were made to income tax returns by the taxpayer and included in the tax due. Adjustments made to income tax returns after they were filed could affect the final tax liability and the tax due. Such adjustments were not reflected in the statistics. Adjustments could result from tax examination or the use of carryback provisions for: net operating losses; certain capital losses; unused foreign taxes paid or accrued; and unused general business credits. See: Income Tax and Adjustments to Tax Due or Overpayment.

Tax from Recomputing Prior Year Investment Credit

See Recapture of Investment Credit.

Tax from Section I (Form 1120F)

This tax was reported by foreign corporations on Form 1120F. The tax was imposed on U.S. source income not directly related to a business activity conducted in the United States, (i.e. not effectively connected income). The income was generally taxed at a flat 30 percent rate or at tax treaty rates if lower. The tax treaty rates resulted from negotiated treaties between the United States and the country in which the foreign company was incorporated. Fifty percent of the income received by foreign companies from transportation activities that began and ended in the United States was treated as U.S. source income. The U.S. source transportation income was taxed at a 4 percent rate. U.S. source income that was not effectively connected income of foreign corporations was subject to withholding provisions for U.S. income tax.

U.S. tax reported on Section I of Form 1120F was included in the statistics only for those resident foreign companies which also had income that was effectively connected with the conduct of a trade or business in the United States. Foreign corporations which did not conduct business activities in the United States but had U.S. source income were also required to report the income and U.S. tax on section I of the Form 1120F. The U.S. tax for these companies was excluded from the statistics.

Tax from Section I was not included in the statistics for Total Income Tax, because the Section I tax was generally withheld from income at the source while total income tax was generally a computed tax liability based on taxable income. Section I tax was not included in the statistics for Tax Due or Tax Overpayment. This tax was presented separately in Tables 10, 11, and 20.

Tax From Section II (Form 1120F)

U.S. tax was imposed on income from the trade or business activities conducted in the United States by resident foreign corporations. Income from those trade or business activities was reported on Section II of the Form 1120F as effectively connected income and was subject to the regular U.S. corporate tax rates. Foreign corporations which did not conduct business activities in the United States could elect to treat income from U.S. real property as effectively connected income and were allowed regular business deductions against that income. Foreign companies organized in U.S. possessions to conduct banking business were generally required to report interest received on U.S. obligations as effectively connected income. Any gain or loss from the disposition of U.S. real property by foreign corporations was also treated as effectively connected income for U.S. tax purposes. This portion of U.S. source income of resident foreign corporations was included in the statistics for Income Subject to Tax.

Section II tax was the U.S. tax on the effectively connected income of resident foreign corporations. This tax was regular income tax reduced by credits for: foreign taxes (for foreign corporations this was actually taxes paid to the United States on the effectively connected income), the production and sale of fuels from nonconventional sources, orphan drug research, general business incentives, and prior year minimum tax. The recapture taxes of investment credit and low-income housing credit were added to the balance of regular tax after credits. Section II tax was presented separately in Tables 10 and 11. Any alternative minimum tax and environmental tax reported by foreign corporations were added to this tax and included in the statistics for Total Income Tax.

Tax Overpayment

Tax overpayment was the excess amount of payments and credits, for taxes previously paid, over total income tax liability at the time the return was filed. For a corporation to have an income tax liability, the regular income tax less certain credits plus other taxes were not reduced to zero. The regular income tax could be reduced to zero by credits for: foreign taxes, possessions tax, orphan drug research, the production or sale of fuels from nonconventional sources, general business incentives, and prior year minimum tax.

Other taxes consisted of: tax on the undistributed income of personal holding companies; recapture taxes of investment credit and low-income housing credit; environmental tax; tax on excess net passive income, certain net long-term capital gains, and net recognized built-in gains of S corporations; tax on the undistributed net capital gain of regulated investment companies; tax on the net income of foreclosure property, failure to meet income requirements, and prohibited transactions of real estate investment trusts; and the branch tax of foreign corporations.

Based on this total income tax, the tax overpayment was the amount by which certain payments and credits exceeded the tax liability plus any penalty for underpayment of estimated tax. The payments and credits represented the sum of: (a) credit for taxes deemed paid by regulated investment companies on undistributed capital gain dividends; (b) payments with applications for extension of time in which to file; (c) estimated tax payments less refunds; (d) credit for Federal tax on special fuels; (e) prior year overpayment of tax applied to current year; (f) credit by reciprocal for tax paid under Code section 835(d); and (g) special estimated tax payments from property and casualty insurance companies.

The overpayment could be credited toward the following year's estimated tax, refunded, or partially refunded and partially credited.

Some adjustments were made to income tax returns by the taxpayer and included in overpayment. Adjustments made to income tax returns after they were filed could affect the final tax liability and the tax overpayment. Such adjustments were not reflected in the statistics. Adjustments could result from tax examination or the use of carryback provisions for: net

operating losses; certain capital losses; unused foreign taxes paid or accrued; and unused general business credits. See: Income Tax; Tax Due at Time of Filing, and Adjustments to Tax Due or Overpayment.

Tax Preference Items

See Alternative Minimum Tax.

Tax Refund (*)

This was the amount of the taxpayer's overpayment designated to be returned to the taxpayer.

Tax-Exempt Securities

This balance sheet asset item comprised (1) state and local government obligations, the interest on which is excludible from gross income under section 103(a), and (2) stock in a mutual fund or other regulated investment company that distributed exempt-interest dividends during the tax year of the corporation. Examples included bond anticipation notes, project notes, Public Housing Authority bonds, and state and local revenue bonds.

Taxes Paid

Taxes paid included the amounts reported as an ordinary and necessary business deduction as well as identifiable amounts reported in the cost of sales and operations schedules or capitalized under section 263A. Included among the deductible taxes were ordinary State and local taxes paid or accrued during the year; social security and payroll taxes; unemployment insurance taxes; excise taxes, import and tariff duties; business, license and privilege taxes; and the environmental tax. Income and profit taxes paid to foreign countries or U.S. possessions were also deductible unless claimed as a credit against income tax. However, S corporations (primarily taxed through their shareholders) had to exclude any foreign taxes paid or accrued from the deduction for taxes paid in computing their net income from trade or business activities. Instead, the foreign taxes were passed through to the shareholders for their use as a foreign tax credit (or a deduction). Regulated investment companies also had to exclude those foreign taxes from the deduction for taxes when they elected under Code section 853 to allow their stockholders to claim a foreign tax credit (or a deduction) for the foreign taxes paid. (However, if the election were not made, a regulated investment company could include foreign taxes paid in the deduction for taxes or claim a foreign tax credit.) See Foreign Tax Credit.

Taxes not deductible generally included Federal income and excess profits taxes (the environmental tax was an exception), gift taxes, taxes assessed against local benefits, and certain other taxes, including state or local taxes that were paid or incurred in connection with an acquisition or disposition of property. Taxes related to the acquisition of property were to be treated as part of the cost of the property, while taxes related to the disposition of property were to be treated as a reduction in the amount realized from the disposition.

Some corporations included sales taxes and excise and related taxes, which were part of the sales price of their products, as receipts. When this occurred, an equal and offsetting amount was usually included in the cost of sales and operations or as part of the separate deduction for taxes paid. When included in the cost of sales and operations, these taxes may not have been identified and therefore, would not have been included in the statistics for taxes paid.

Total Assets and Total Liabilities

Total assets and total liabilities were those reported in the end-of-year balance sheet in the corporations' books of account. Total assets were net amounts after reduction by accumulated depreciation, accumulated amortization, accumulated depletion, and the reserve for bad debts. When reserves for bad debts were reported as liabilities, they were treated as reductions from the asset accounts to which they related and total assets and liabilities were adjusted accordingly. When used in this report, the term total liabilities includes both the claims of creditors and stockholders' equity (see Net Worth). In addition, total liabilities were net amounts after reduction by the cost of Treasury stock.

Asset and liability estimates for returns of corporations that failed to provide complete balance sheet information were imputed from data in other schedules on the tax return or by using either reference books or relationships between income statement and balance sheet items on similar returns in the same major industrial group.

Tax returns filed by life insurance companies on Forms 1120L did not provide a separate schedule for reporting balance sheet information. Most life insurance companies did, however, attach copies of their annual statements to their federal income tax returns. The annual statements were produced for administering State law; they were not official income tax forms produced by the Internal Revenue Service. The asset and liability data contained in this report for these companies were obtained from the annual statements and reference books. These sources were also used for any other insurance company when the U.S. income tax return did not include a separate schedule for reporting the balance sheet data. Balance sheet data for mutual property and casualty insurance companies were extracted from the income tax return, Form 1120-PC, rather than the annual statement, beginning with Tax Year 1987. Previously, these companies filed tax returns on Form 1120M, which did not include a balance sheet. The balance sheet data were then extracted from the annual statement attached to the returns.

Stock property and casualty insurance companies also filed income tax returns on the Form 1120-PC, beginning with 1987. However, prior to 1987, these companies reported balance sheet data on the income tax return, Form 1120 or Form 1120-A, rather than on an annual statement.

Total Deductions

As presented in the tables of this publication, total deduc-

tions comprised (1) the cost of sales and operations, (2) the ordinary and necessary business deductions from gross income, and (3) net loss from sales of noncapital assets. Components of total deductions are shown in the income statement segment of various tables throughout this report.

For certain small non-life insurance companies, with net or written premiums (whichever was greater) over \$350,000 but not over \$1,200,000, total deductions represented only investment expenses; underwriting business expenses were excluded by law.

See also Total Receipts.

Total Income Tax

The statistics for Total Income Tax, Income Tax, Total, and Income Tax before Credits include:

- (1) regular income tax before reduction by any tax credits, which included tax on certain net long-term capital gains, and net recognized built-in gains of S corporations (see Income Tax, in this section);
- (2) personal holding company tax (described under a separate heading);
- (3) recapture of investment credit (described under a separate heading);
- (4) recapture of low-income housing credit (described under a separate heading);
- (5) alternative minimum tax;
- (6) environmental tax;
- (7) tax on excess net passive income of S corporations (described under a separate heading);
- (8) tax on undistributed net capital gain as provided under Code section 852(b)(3) for regulated investment companies ("Tax from Part II, line 4 (1120-REIT," in the statistics);
- (9) tax from certain income of real estate investment trusts:
 - (a) net income on foreclosure property ("Tax from Part II, 1120-REIT," in the statistics);
 - (b) section 857(b) income from failure to meet source of income requirements ("Tax from Part III, 1120-REIT," in the statistics); and
 - (c) net income from prohibited transactions ("Tax from Part IV, 1120-REIT," in the statistics);
- (10) the branch tax computed by foreign corporations on the earnings and profits and interest income of their U.S. branches (Form 1120F); and
- (11) any adjustments to total income tax.

Some taxes included in total income tax were not imposed directly on a corporation's income subject to tax, such as the recapture taxes of investment credit and low-income housing credit. A small number of corporations without net income and regular tax reported such taxes on their income tax returns. These taxes were included in the statistics for total income tax. See also Income Tax for a description of: (1)

returns without net income having regular tax and (2) taxes not included in the statistics for returns with adjustments to tax from tax examination or use of carryback provisions of tax credits.

Total Receipts

The components of total receipts are shown in the income statement segment of various tables throughout this report. This amount was derived as follows:

Included items (1) Gross taxable receipts (before deduction of cost of sales and operations, ordinary and necessary business expenses, and (2) tax-exempt interest received from State and local Government obligations.

Excluded items (1) Other nontaxable income recognized by the corporation, and (2) certain taxable income from related foreign corporations only constructively received.

Long-term capital gains were excluded for Regulated Investment Companies and S Corporations. Short-term capital gains were also excluded for S corporations.

For certain small non-life insurance companies, with net or direct written premiums (whichever was greater) over \$350,000 but not over \$1,200,000, the gross taxable receipts included in the statistics represented only the receipts from investments; underwriting income was excluded by law. (See also Total Deductions.)

Total Receipts Less Total Deductions

This item differed from net income (less deficit) for tax purposes in that it included nontaxable Interest on State and local Government Obligations and excluded Constructive Taxable Income from Related Foreign Corporations. As such, it included all of the income actually (as opposed to constructively) received by the corporation and reported on the income tax return.

Total Special Deductions

See Statutory Special Deductions.

U.S. Possessions Tax Credit

In order to provide a tax incentive for domestic corporations to invest in Puerto Rico and U.S. possessions (including American Samoa, Guam, Johnston Island, Midway Islands, and Wake Island), the Tax Reform Act of 1976 added a tax credit - the U.S. possessions tax credit in lieu of the ordinary foreign tax credit. Under Code section 936, the U.S. possessions tax credit was equal to the U.S. tax on a corporation's income from the active conduct of a trade or business within a possession, the sale or exchange of all of the assets used in the trade or business, as well as certain qualified possession source investment income. To claim the credit, corporations had to make an election to be treated as a U.S. Possessions Corporation. The election was generally effective for ten

years and could not be revoked except by IRS consent. After the tenth year, the corporation could revoke the election without consent. For each year in which the credit was claimed, the corporation had to satisfy the requirements of two income tests under Code section 936. For the applicable period, a domestic corporation had to receive: (1) at least 80 percent of its gross income from sources within a U.S. possession, and (2) at least 75 percent of its gross income from the active conduct of a trade or business within a U.S. possession. The applicable period was the lesser of 3 years immediately preceding the close of the current taxable year or the period during which the corporation was engaged in the active conduct of a trade or business within a U.S. possession. A Possessions Corporation could not claim a foreign tax credit for the same taxes claimed as a possessions tax credit. In addition, during the period of an effective election, a Possessions Corporation was prohibited from joining in a consolidated income tax return.

U.S. Tax Paid or Withheld at the Source (Form 1120F)

These were U.S. taxes reported by foreign corporations on Form 1120F. This item included taxes paid or withheld on income related to a U.S. business activity (i.e. effectively connected income) and income not directly related to a U.S. trade or business (i.e. not effectively connected income). U.S. income tax paid or withheld at source was shown separately for effectively and non-effectively connected income in Tables 10 and 11. Resident foreign corporations which did conduct a trade or business in the U.S. reported taxes or withheld:

- (a) from the gains from any disposition of U.S. real property (as reported on Form 8288-A); and
- (b) on effectively connected income allocable to foreign partners (as reported on Form 8805).

The U.S. taxes paid or withheld at source for foreign corporations which were not involved in a U.S. trade or business were not included in the statistics for "Total Income Tax," "Tax Due," or "Tax Overpayment." These foreign corporations were also required to report the income and taxes paid or withheld on section I of the Form 1120F.

Zero Assets

In general, returns in this size class of total assets were:

- (1) final returns of liquidating or dissolving corporations which had disposed of all assets;
- (2) final returns of merging corporations whose assets and liabilities were reported in the returns of the acquiring corporations;
- (3) part-year returns of corporations (except initial returns of newly incorporated businesses); and
- (4) returns of foreign corporations with income effectively connected with the conduct of a trade or business in the United States. However, balance sheet data for foreign insurance companies filing on Form 1120L or

Corporation Returns/1992 • Explanation of Terms

Form 1120-PC were included in the statistics, so such foreign corporations were classified by the size of the reported total assets. Balance sheet data for most foreign insurance corporations filing on Form 1120F were included in the statistics as well. Prior to 1990,

balance sheet data for U.S. branches of foreign insurance companies (except for life and mutual insurance companies) were included in the statistics and were classified by the size of total assets of these branches. See also, Size of Total Assets.

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**Definition has been modified from prior year reports to reflect processing or tax law changes as well as clarification of the explanations.*

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Section 6

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Prior Year Minimum Tax Credit, **page 301**

Form 1120 U.S. Corporation Income Tax Return
 Department of the Treasury Internal Revenue Service
 For calendar year 1992 or tax year beginning 1992, ending 1992
 OMB No. 1545-0123

A Check if a:
 (1) Consolidated return (attach Form 851)
 (2) Personal holding co. (attach Sch. PH)
 (3) Personal service corp. (as defined in Temporary Regs. sec. 1.441-4T—see instructions)

Use IRS label. Name: _____
 Number, street, and room or suite no. (if a P.O. box, see page 6 of instructions): _____
 City or town, state, and ZIP code: _____

B Employer identification number _____
C Date incorporated _____
D Total assets (see Specific Instructions) \$ _____

E Check applicable boxes: (1) Initial return (2) Final return (3) Change in address

1a	Gross receipts or sales	b Less returns and allowances	c Bal	1c
2	Cost of goods sold (Schedule A, line 8)			2
3	Gross profit. Subtract line 2 from line 1c			3
4	Dividends (Schedule C, line 19)			4
5	Interest			5
6	Gross rents			6
7	Gross royalties			7
8	Capital gain net income (attach Schedule D (Form 1120))			8
9	Net gain or (loss) from Form 4797, Part II, line 20 (attach Form 4797)			9
10	Other income (see instructions—attach schedule)			10
11	Total income. Add lines 3 through 10			11

12	Compensation of officers (Schedule E, line 4)			12
13a	Salaries and wages	b Less jobs credit	c Balance	13c
14	Repairs			14
15	Bad debts			15
16	Rents			16
17	Taxes			17
18	Interest			18
19	Charitable contributions (see instructions for 10% limitation)			19
20	Depreciation (attach Form 4562)			20
21	Less depreciation claimed on Schedule A and elsewhere on return	21a		21b
22	Depletion			22
23	Advertising			23
24	Pension, profit-sharing, etc., plans			24
25	Employee benefit programs			25
26	Other deductions (attach schedule)			26
27	Total deductions. Add lines 12 through 26			27
28	Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11			28
29	Less: a Net operating loss deduction (see instructions)	29a		
29	b Special deductions (Schedule C, line 20)	29b		29c
30	Taxable income. Subtract line 29c from line 28			30
31	Total tax (Schedule J, line 10)			31

32a	Payments: a 1991 overpayment credited to 1992	32a		
32b	b 1992 estimated tax payments	32b		
32c	c Less 1992 refund applied for on Form 4466	32c		
32d	d Bal	32d		
32e	e Tax deposited with Form 7004	32e		
32f	f Credit from regulated investment companies (attach Form 2439)	32f		
32g	g Credit for Federal tax on fuels (attach Form 4136). See instructions	32g		
33	Estimated tax penalty (see instructions). Check if Form 2220 is attached	33		
34	Tax due. If line 32h is smaller than the total of lines 31 and 33, enter amount owed	34		
35	Overpayment. If line 32h is larger than the total of lines 31 and 33, enter amount overpaid	35		
36	Enter amount of line 35 you want: Credited to 1993 estimated tax. Refunded	36		

Please Sign Here
 Signature of officer: _____ Date: _____ Title: _____

Paid Preparer's Use Only
 Preparer's signature: _____ Date: _____ Check if self-employed Preparer's social security number: _____
 Firm's name (or yours if self-employed) and address: _____ E.I. No.: _____
 ZIP code: _____

Form 1120 (1992) Page 2
Schedule A Cost of Goods Sold (See instructions.)

1	Inventory at beginning of year	1
2	Purchases	2
3	Cost of labor	3
4	Additional section 263A costs (attach schedule)	4
5	Other costs (attach schedule)	5
6	Total. Add lines 1 through 5	6
7	Inventory at end of year	7
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8

8a Check all methods used for valuing closing inventory:
 (i) Cost (ii) Lower of cost or market as described in Regulations section 1.471-4
 (iii) Writedown of "subnormal" goods as described in Regulations section 1.471-2(c)
 (iv) Other (Specify method used and attach explanation.) _____

b Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)
c If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO % \$ _____

d Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? Yes No
e Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation. Yes No

Schedule C Dividends and Special Deductions (See instructions.)

	(a) Dividends received	(b) %	(c) Special deductions: (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations that are subject to the 70% deduction (other than debt-financed stock)	70	
2	Dividends from 20%-or-more-owned domestic corporations that are subject to the 80% deduction (other than debt-financed stock)	80	
3	Dividends on debt-financed stock of domestic and foreign corporations (section 246A)	Instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities	41.176	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities	47.059	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs that are subject to the 70% deduction	70	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs that are subject to the 80% deduction	80	
8	Dividends from wholly owned foreign subsidiaries subject to the 100% deduction (section 245(b))	100	
9	Total. Add lines 1 through 8. See instructions for limitation		
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958	100	
11	Dividends from certain FSCs that are subject to the 100% deduction (section 245(c)(1))	100	
12	Dividends from affiliated group members subject to the 100% deduction (section 243(a)(3))	100	
13	Other dividends from foreign corporations not included on lines 3, 6, 7, 8, or 11		
14	Income from controlled foreign corporations under subpart F (attach Form(s) 5471)		
15	Foreign dividend gross-up (section 78)		
16	LC-DISC and former DISC dividends not included on lines 1, 2, or 3 (section 246(d))		
17	Other dividends		
18	Deduction for dividends paid on certain preferred stock of public utilities (see instructions)		
19	Total dividends. Add lines 1 through 17. Enter here and on line 4, page 1		
20	Total deductions. Add lines 9, 10, 11, 12, and 18. Enter here and on line 29b, page 1		

Schedule E Compensation of Officers (See instructions for line 12, page 1.)
 Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1, Form 1120) are \$500,000 or more.

(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of corporation stock owned		(f) Amount of compensation
			(d) Common	(e) Preferred	
1		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
2	Total compensation of officers				
3	Compensation of officers claimed on Schedule A and elsewhere on return				
4	Subtract line 3 from line 2. Enter the result here and on line 12, page 1				

Schedule J Tax Computation (See instructions.)

1 Check if the corporation is a member of a controlled group... 2 If the box on line 1 is checked: a Enter the corporation's share of the \$50,000 and \$25,000 taxable income bracket amounts... 3 Income tax... 4a Foreign tax credit... 4b Possessions tax credit... 4c Orphan drug credit... 4d Credit for fuel produced from a nonconventional source... 4e General business credit... 4f Credit for prior year minimum tax... 5 Total credits... 6 Subtract line 5 from line 3... 7 Personal holding company tax... 8 Recapture taxes... 9a Alternative minimum tax... 9b Environmental tax... 10 Total tax...

Schedule K Other Information (See instructions.)

1 Check method of accounting: a Cash b Accrual c Other... 2 Refer to the list in the instructions and state the principal: a Business activity code no... b Business activity... c Product or service... 3 Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation?... 4 Did any individual, partnership, corporation, estate, or trust at the end of the tax year own, directly or indirectly, 50% or more of the corporation's voting stock?... 5 During this tax year, did the corporation pay dividends... 6 Was the corporation a U.S. shareholder of any controlled foreign corporation?... 7 At any time during the 1992 calendar year, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country... 8 Was the corporation the grantor of, or transferor to, a foreign trust that existed during the current tax year... 9 Did one foreign person at any time during the tax year own, directly or indirectly, at least 25% of: (a) the total voting power of all classes of stock of the corporation... 10 Check this box if the corporation issued publicly offered debt instruments with original issue discount... 11 Enter the amount of tax-exempt interest received or accrued during the tax year... 12 If there were 35 or fewer shareholders at the end of the tax year, enter the number... 13 If the corporation has an NOL for the tax year and is electing under sec. 172(b)(3) to forego the carryback period, check here...

Schedule L Balance Sheets

Table with columns: Assets, Liabilities and Stockholders' Equity, Beginning of tax year (a, b), End of tax year (c, d). Rows include Cash, Trade notes and accounts receivable, Inventories, U.S. government obligations, Tax-exempt securities, Other current assets, Loans to stockholders, Mortgage and real estate loans, Other investments, Buildings and other depreciable assets, Less accumulated depreciation, Depletable assets, Land, Intangible assets, Accounts payable, Mortgages, notes, bonds payable, Other current liabilities, Loans from stockholders, Other liabilities, Capital stock, Paid-in or capital surplus, Retained earnings, Less cost of treasury stock, Total liabilities and stockholders' equity.

Note: You are not required to complete Schedules M-1 and M-2 below if the total assets on line 15, column (d) of Schedule L are less than \$25,000.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return (See instructions.)

Table with columns: 1-6, 7-10. Rows include Net income (loss) per books, Federal income tax, Excess of capital losses over capital gains, Income subject to tax not recorded on books this year, Expenses recorded on books this year not deducted on this return, Income recorded on books this year not included on this return, Deductions on this return not charged against book income this year, Add lines 7 and 8, Income (line 26, page 1) - line 6 less line 9.

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)

Table with columns: 1-4, 5-8. Rows include Balance at beginning of year, Net income (loss) per books, Other increases, Add lines 1, 2, and 3, Distributions: a Cash, b Stock, c Property, Other decreases, Add lines 5 and 6, Balance at end of year (line 4 less line 7).

Corporation Returns/1992 • Forms and Instructions

1120-A

U.S. Corporation Short-Form Income Tax Return

OMB No. 1545-0090

1992

See separate instructions to make sure the corporation qualifies to file Form 1120-A. For calendar year 1992 or tax year beginning 1992, ending 1992.

A Check this box if corp. is a personal service corp. (as defined in Temporary Regs. section 1.441-1(f)---see instructions) >
Use IRS label. Otherwise, please print or type. Name, Number, street, and room or suite no. (if a P.O. box, see page 6 of instructions), City or town, state, and ZIP code

E Check applicable boxes: (1) Initial return (2) Change in address
F Check method of accounting: (1) Cash (2) Accrual (3) Other (specify) >

Income section table with lines 1-11. Line 1: Gross receipts or sales. Line 2: Cost of goods sold. Line 3: Gross profit. Line 4: Domestic corporation dividends. Line 5: Interest. Line 6: Gross rents. Line 7: Gross royalties. Line 8: Capital gain net income. Line 9: Net gain or (loss) from Form 4797. Line 10: Other income. Line 11: Total income.

Deductions section table with lines 12-25. Line 12: Compensation of officers. Line 13: Salaries and wages. Line 14: Repairs. Line 15: Bad debts. Line 16: Rents. Line 17: Taxes. Line 18: Interest. Line 19: Charitable contributions. Line 20: Depreciation. Line 21: Less depreciation claimed elsewhere. Line 22: Other deductions. Line 23: Total deductions. Line 24: Taxable income before net operating loss deduction. Line 25: Less: a Net operating loss deduction. b Special deductions.

Tax and Payments section table with lines 26-32. Line 26: Taxable income. Line 27: Total tax. Line 28: Payments (1991 overpayment, 1992 estimated tax, 1992 refund, tax deposited, credit from regulated investment companies, credit for Federal tax on fuels). Line 29: Estimated tax penalty. Line 30: Tax due. Line 31: Overpayment. Line 32: Enter amount of line 31 you want: Credited to 1993 estimated tax, Refunded.

Please Sign Here: Signature of officer, Date, Title. Preparer's Use Only: Preparer's signature, Date, Check if self-employed, Preparer's social security number, Firm's name, E.I. No., ZIP code.

Form 1120-A (1992)

Part I Tax Computation (See instructions.)

Table for Part I Tax Computation with lines 1-7. Line 1: Income tax. Line 2a: General business credit. Line 2b: Credit for prior year minimum tax. Line 3: Total credits. Line 4: Subtract line 3 from line 1. Line 5: Recapture taxes. Line 6: Alternative minimum tax. Line 7: Total tax.

Part II Other Information (See instructions.)

Form for Part II Other Information with questions 1-6 regarding business activity, tax-exempt interest, and cash distributions.

Part III Balance Sheets

Table for Part III Balance Sheets with columns (a) Beginning of tax year and (b) End of tax year. Assets (1-12) and Liabilities and Stockholders' Equity (13-22).

Part IV Reconciliation of Income (Loss) per Books With Income per Return (You are not required to complete Part IV if the total assets on line 12, column (b) of Part III are less than \$25,000.)

Table for Part IV Reconciliation of Income (Loss) per Books With Income per Return with lines 1-8.

Corporation Returns/1992 • Forms and Instructions

1992



Department of the Treasury
Internal Revenue Service

Instructions for Forms 1120 and 1120-A

(Section references are to the Internal Revenue Code unless otherwise noted.)

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file the following forms will vary depending on individual circumstances. The estimated average times are:

Form	Recordkeeping	Learning about the law or the form	Preparing the form	Copying, assembling, and sending the form to the IRS
1120	68 hr., 24 min.	39 hr., 51 min.	70 hr., 38 min.	8 hr., 2 min.
1120-A	43 hr., 3 min.	23 hr., 8 min.	40 hr., 41 min.	4 hr., 34 min.
Sch. D (1120)	6 hr., 56 min.	3 hr., 41 min.	6 hr., 46 min.	48 min.
Sch. H (1120)	5 hr., 59 min.	35 min.	43 min.	0 min.
Sch. PH (1120)	15 hr., 19 min.	6 hr., 6 min.	8 hr., 29 min.	32 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making these forms more simple, we would be happy to hear from you. You can write to both the Internal Revenue Service, Washington, DC 20224, Attention: IRS Reports Clearance Officer, TFP; and the Office of Management and Budget, Paperwork Reduction Project (1545-0123), Washington, DC 20503. **DO NOT** send the tax form to either of these offices. Instead, see **Where To File**.

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Changes to Note

The Energy Policy Act of 1992 made several changes that affect corporations. Some of the changes are highlighted below. These changes affect fiscal year 1992-93 filers. Calendar year filers are not impacted until 1993.

• **Deduction for clean-fuel vehicles and certain refueling property.**—New section 179A allows a deduction for part of the cost of qualified clean-fuel vehicle property and qualified clean-fuel vehicle refueling property placed in service after June 30, 1993.

Qualified clean-fuel vehicle property includes:

- The part of the basis of a new vehicle designed to use a clean-burning fuel that is attributable to an engine that uses that fuel (and its related fuel storage, delivery, and exhaust systems), and

2. New retrofit parts and components used to convert a motor vehicle to operate on a clean-burning fuel.

Clean-burning fuels are natural gas, liquefied natural gas, liquefied petroleum (LP) gas, hydrogen, electricity, and fuels containing at least 85% alcohol (including methanol or ethanol) or ether.

The deduction for most motor vehicles is limited to \$2,000 per vehicle. A motor vehicle is any vehicle with at least 4 wheels that is made for use on public roads. The limit is \$5,000 per vehicle for trucks and vans with a gross vehicle weight (gvw) over 10,000 pounds but not over 26,000 pounds. For trucks and vans with a gvw over 26,000 pounds and buses that seat at least 20 adult passengers, the limit is \$50,000 per vehicle.

Qualified clean-fuel vehicle refueling property is new depreciable property used to store or dispense clean-burning fuels (or to recharge an electric vehicle) that is located at the point where the fuel is delivered into the tank of a clean-fuel vehicle (or where the vehicle is recharged). The deduction for this property is limited to \$100,000 per location.

For more details, see section 179A.

• **Qualified electric vehicle credit.**—New section 30 provides a credit equal to 10% of the cost of a qualified new electric vehicle, or \$4,000, whichever is less, for each vehicle placed in service after June 30, 1993. Vehicles qualifying for this credit are not eligible for the deduction for clean-fuel vehicles under section 179A. Get Form 8834, Qualified Electric Vehicle Credit, for more details.

• **Renewable electricity production credit.**—New section 45 provides a credit equal to 1.5 cents per kilowatt hour for electricity produced by the corporation using closed-loop biomass and sold to an unrelated person. The facility from which the electricity is produced must have been originally placed in service after 1992. Get Form 8835, Renewable Electricity Production Credit, for more details.

Other Changes

Schedule H (Form 1120).—Schedule H (Form 8716) has been retitled Schedule H (Form 1120). Schedule H is used by certain personal service corporations to determine if they have met the minimum

distribution requirements of section 280H for the tax year and to determine limits on deductions.

Voluntary Contributions To Reduce the Public Debt

A corporation may make a contribution to reduce the public debt. To do so, enclose with the tax return a check made payable to "Bureau of the Public Debt." Voluntary contributions to reduce the public debt are deductible subject to the rules and limitations for charitable contributions.

Avoid Common Mistakes

To speed the processing of the return, be sure to do the following:

- If the corporation does not use a calendar tax year, enter the beginning and ending dates of its fiscal year in the space at the top of the form.
- Unless the corporation changed its name since it last filed, enter the name the way it appeared on the last filed return.
- Enter the correct employer identification number (EIN) in item B if you are not using the label.
- Enter total assets in item D.
- If you are reporting gross receipts or sales on line 1, complete lines 1a, 1b, and 1c.
- If you are reporting salaries and wages on line 13, complete lines 13a, 13b, and 13c.
- Complete line 32d (line 28d, Form 1120-A).
- If the corporation is a qualified personal service corporation, check the box on Schedule J, line 3 (Part I, line 1, Form 1120-A).
- Enter the corporation's business activity code number on Schedule K, line 2a (Part II, line 1a, Form 1120-A).
- To avoid interest and penalties, file the return on time and pay any tax when due. See page 4.

General Instructions

Note: In addition to the publications listed in these instructions, taxpayers may wish to get: Pub. 534, *Depreciation*; Pub. 535, *Business Expenses*; Pub. 542, *Tax Information on Corporations*; and Pub. 946, *How to Begin Depreciating Your Property*.

Purpose of Form

Form 1120, U.S. Corporation Income Tax Return, and Form 1120-A, U.S. Corporation Short-Form Income Tax Return, are used by corporations to report income, gains, losses, deductions, credits, and to figure their income tax liability.

Who Must File

Unless exempt under section 501, all domestic corporations (including corporations in bankruptcy) must file, whether or not they have taxable income. Domestic corporations must file Form 1120, or, if they qualify, Form 1120-A, unless they are required to file a special return (see **Special Returns for Certain Organizations** below).

Note: If an organization resembles a corporation more than it resembles a partnership or trust, it will be considered an association taxed as a corporation.

Who May File Form 1120-A

A corporation may file Form 1120-A if it meets all of the following requirements:

- Its gross receipts (line 1a, page 1) are under \$500,000.
- Its total income (line 11, page 1) is under \$500,000.
- Its total assets (line 12, column (b), Part III on page 2) are under \$500,000.
- It does not have any ownership in a foreign corporation.
- It does not have foreign shareholders who own, directly or indirectly, 50% or more of its stock.
- It is not a member of a controlled group of corporations (sections 1561 and 1563).
- It is not a personal holding company (sections 541 through 547).
- It is not a consolidated corporate return filer.
- It is not a corporation undergoing a dissolution or liquidation.
- It is not filing its final tax return.
- Its only dividend income (none of which represents debt-financed securities) is from domestic corporations, and those dividends qualify for the 70% deduction.
- It has no nonrefundable tax credits other than the general business credit and the credit for prior year minimum tax.
- It is not subject to environmental tax under section 59A.
- It has no liability for interest under section 453(j)(3) or 453A(c) (relating to certain installment sales) or installment payments of tax under section 1363(d).
- It has no liability for interest due under the look-back method of section 460(b)(2).
- It is not required to file Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund.
- It has no liability for tax under section 7518 on a nonqualified withdrawal from a capital construction fund.
- It is not making an election under section 172(b)(3) to forego the carryback period of an NOL.

• It is not required to file one of the special tax returns listed below.

Special Returns for Certain Organizations

Certain organizations, as shown below, have to file special returns.

If the organization is a:	File Form
Farmers' cooperative (sec. 1381)	990-C
Exempt organization with unrelated trade or business income	990-T
Entity that elects to be treated as real estate mortgage investment conduit (REMIC) under sec. 860D	1066
Designated settlement fund (sec. 468B)	1120-DF
Interest charge domestic international sales corporation (sec. 992)	1120-IC-DISC
Foreign corporation (other than life and property and casualty insurance companies filing Form 1120L or 1120-FC)	1120F
Foreign sales corporation (sec. 922)	1120-FSC
Condominium management association or residential real estate management association that elects to be treated as a homeowners association under sec. 528	1120-H
Life insurance company (sec. 801)	1120L
Fund set up to pay for nuclear decommissioning costs (sec. 468A)	1120-ND
Property and casualty insurance company (sec. 831)	1120-PC
Political organization (sec. 527)	1120-POL
Real estate investment trust (sec. 856)	1120-REIT
Regulated investment company (sec. 851)	1120-RIC
S corporation (sec. 1361)	1120S

When To File

In general, a corporation must file its income tax return by the 15th day of the 3rd month after the end of the tax year. A new corporation filing a short-period return must generally file by the 15th day of the 3rd month after the short period ends. A corporation that has dissolved must generally file by the 15th day of the 3rd month after the date it dissolved.

Extension.—File Form 7004, Application for Automatic Extension of Time To File Corporation Income Tax Return, to request a 6-month extension of time to file.

Corporation Returns/1992 • Forms and Instructions

Where To File

Use the preaddressed envelope. If you do not use the envelope, file your return at the applicable IRS address listed below.

If the corporation's principal business, office, or agency is located in	Use the following Internal Revenue Service Center address
New Jersey, New York (New York City and counties), Connecticut, Rockland, Suffolk, and Westchester)	Holtsville, NY 00501
New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	Andover, MA 05501
Florida, Georgia, South Carolina	Atlanta, GA 39901
Indiana, Kentucky, Michigan, Ohio, West Virginia	Cincinnati, OH 45999
Kansas, New Mexico, Oklahoma, Texas	Austin, TX 73301
Alaska, Arizona, California (counties of Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marn, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Sotano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba), Colorado, Idaho, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming	Ogden, UT 84201
California (all other counties), Hawaii	Fresno, CA 93888
Illinois, Iowa, Minnesota, Missouri, Wisconsin	Kansas City, MO 64999
Alabama, Arkansas, Louisiana, Mississippi, North Carolina, Tennessee	Memphis, TN 37501
Delaware, District of Columbia, Maryland, Pennsylvania, Virginia	Philadelphia, PA 19255

Corporations having their principal place of business outside the United States or claiming a possessions tax credit (section 936) must file with the Internal Revenue Service Center, Philadelphia, PA 19255.

A group of corporations located in several service center regions will often keep all the books and records at the principal office of the managing corporation. If this is the case, the income tax returns of the corporations may be filed with the service center region in which this principal office is located.

Who Must Sign

The return must be signed and dated by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or any other corporate officer (such as tax officer) authorized to sign. Receivers, trustees, or assignees must also sign and date any return filed on behalf of a corporation.

If a corporate officer completes Form 1120 or Form 1120-A, the Paid Preparer's space should remain blank. Anyone who prepares Form 1120 or Form 1120-A but does not charge the corporation should not sign the return. Generally, anyone who is paid to prepare the return must sign it and fill in the Paid Preparer's Use Only area.

The paid preparer must complete the required preparer information and:

- Sign the return, by hand, in the space provided for the preparer's signature (signature stamps and labels are not acceptable).
- Give a copy of the return to the taxpayer.

Accounting Methods

Taxable income must be computed using the method of accounting regularly used in keeping the corporation's books and records. Generally, permissible methods include the cash, accrual, or any other method authorized by the Internal Revenue Code. In all cases, the method used must clearly show taxable income.

Generally, a corporation (other than a qualified personal service corporation) must use the accrual method of accounting if its average annual gross receipts exceed \$5 million. See section 448(c). A corporation engaged in farming operations must also use the accrual method. For exceptions, see section 447.

Under the accrual method, an amount is includible in income when all the events have occurred that fix the right to receive the income and the amount can be determined with reasonable accuracy. See Regulations section 1.451-1(a) for details.

Generally, an accrual basis taxpayer can deduct accrued expenses in the tax year in which all events that determine the liability have occurred, the amount of the liability can be figured with reasonable accuracy, and economic performance takes place with respect to the expense. There are exceptions for recurring items. See section 461(h) and the related regulations for more information.

Long-term contracts (except for certain real property construction contracts) must generally be accounted for using the percentage of completion method described in section 460. See

section 460 for general rules on long-term contracts.

Generally, the corporation may change the method of accounting used to report taxable income (for income as a whole or for any material item) only by getting consent on Form 3115, Application for Change in Accounting Method. For more information, get Pub. 538, Accounting Periods and Methods.

Change in Accounting Period

Generally, before changing an accounting period, the Commissioner's approval must be obtained (Regulations section 1.442-1) by filing Form 1128, Application To Adopt, Change, or Retain a Tax Year. Also see Pub. 538.

Personal service corporations, as defined in Temporary Regulations section 1.441-4T (see the instructions for Item A on page 6), must use a calendar year unless:

- The corporation can establish to the satisfaction of the Commissioner that there is a business purpose for having a different tax year, or
- The corporation elects under section 444 to have a tax year other than a calendar year.

Personal service corporations that wish to establish a business purpose for having a different tax year should see Rev. Rul. 87-57, 1987-2 C.B. 117, for more information. Also see Rev. Proc. 87-32, 1987-2 C.B. 396, for procedures to use in adopting, retaining, or changing the corporation's tax year. Personal service corporations that wish to adopt or retain a noncalendar tax year must file requests to do so on Form 1128 in accordance with the procedures outlined in Rev. Proc. 87-32.

Personal service corporations that wish to elect under section 444 to have a tax year other than a calendar year must file Form 8716, Election To Have a Tax Year Other Than a Required Tax Year. Generally, Form 8716 must be filed by the earlier of:

- The 15th day of the 5th month following the month that includes the 1st day of the tax year for which the election will be effective, or
- The due date (not including extensions) of the income tax return resulting from the section 444 election.

Electing corporations are subject to minimum distribution requirements under section 280H(c) for each year the election is in effect. If the corporation fails to make the required minimum distributions, the deduction allowable for certain amounts paid to employee-owners is limited to a maximum deductible amount under section 280H(d). Amounts not allowed as a deduction for the tax year are carried over to the following tax year.

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Complete Schedule H (Form 1120), Section 280H Limitations for a Personal Service Corporation (PSC), to figure the required minimum distributions and the maximum deductible amount, if applicable.

Rounding Off to Whole Dollars

The corporation may show amounts on the return and accompanying schedules as whole dollars. To do so, drop any amount less than 50 cents and increase any amount from 50 cents through 99 cents to the next higher dollar.

Recordkeeping

The corporation's records should be kept for as long as they may be needed for the administration of any provision of the Internal Revenue Code. Usually, records that support an item of income, deduction, or credit on the return must be kept for 3 years from the date the return is due or filed, whichever is later. Keep records that verify the corporation's basis in property for as long as they are needed to figure the basis of the original or replacement property.

The corporation should also keep copies of any returns it has filed. They help in preparing future returns and in making computations when filing an amended return.

Depository Method of Tax Payment

The corporation must pay the tax due in full no later than the 15th day of the 3rd month after the end of the tax year. Deposit corporation income tax payments (and estimated tax payments) with Form 8109, Federal Tax Deposit Coupon. Do not send deposits directly to an IRS office. Mail or deliver the completed Form 8109 with the payment to a qualified depository for Federal taxes or to the Federal Reserve bank (FRB) servicing the corporation's geographic area. Make checks or money orders payable to that depository or FRB.

To help ensure proper crediting, write the corporation's employer identification number, the tax period to which the deposit applies, and "Form 1120" on the check or money order. Be sure to darken the "1120" box on the coupon. These records of deposits will be sent to the IRS.

A penalty may be imposed if the deposits are mailed or delivered to an IRS office rather than to an authorized depository or FRB.

For more information on deposits, see the instructions in the coupon booklet (Form 8109) and Pub. 583, Taxpayers Starting a Business.

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Caution: If the corporation owes tax when it files Form 1120 or Form 1120-A, do not include the payment with the tax return. Instead, mail or deliver the payment with Form 8109 to a qualified depository or FRB.

Estimated Tax Payments

Generally, a corporation must make installment payments of estimated tax if it expects its estimated tax (income tax minus credits) to be \$500 or more. For a calendar or fiscal year corporation, the installments are due by the 15th day of the 4th, 6th, 9th, and 12th months of the tax year. If any date falls on a Saturday, Sunday, or legal holiday, the installment is due on the next regular workday. Use Form 1120-W, Corporation Estimated Tax, as a worksheet to compute estimated tax. Use the deposit coupons (Forms 8109) to make deposits of estimated tax. For more information on estimated tax payments, including penalties that apply if the corporation fails to make required payments, see the instructions for line 33 on page 12.

If the corporation overpaid estimated tax, it may be able to get a "quick refund" by filing Form 4466, Corporation Application for Quick Refund of Overpayment of Estimated Tax. The overpayment must be at least 10% of the expected income tax liability and at least \$500. To apply for a quick refund, file Form 4466 before the 16th day of the 3rd month after the end of the tax year, but before the corporation files its income tax return. Do not file Form 4466 before the end of the corporation's tax year.

Interest and Penalties

Interest.—Interest is charged on taxes not paid by the due date even if an extension of time to file is granted. Interest is also charged on penalties imposed for failure to file, negligence, fraud, gross valuation overstatements, and substantial understatements of tax from the due date (including extensions) to the date of payment. The interest charge is figured at a rate determined under section 6621.

Late filing of return.—A corporation that does not file its tax return by the due date, including extensions, may have to pay a penalty of 5% of the unpaid tax for each month or part of a month the return is late, up to a maximum of 25% of the unpaid tax. The minimum penalty for a return that is more than 60 days late is the smaller of the tax due or \$100. The penalty will not be imposed if the corporation can show that the failure to file on time was due to reasonable cause. Corporations that file late must attach a statement explaining the reasonable cause.

Late payment of tax.—A corporation that does not pay the tax when due may

have to pay a penalty of 1/2 of 1% of the unpaid tax for each month or part of a month the tax is not paid, up to a maximum of 25% of the unpaid tax. This penalty may also apply to any additional tax not paid within 10 days of the date of the notice and demand for payment. The penalty will not be imposed if the corporation can show that the failure to pay on time was due to reasonable cause.

Other penalties.—Other penalties can be imposed for negligence, substantial understatement of tax, and fraud. See sections 6662 and 6663.

Unresolved Tax Problems

The IRS has a Problem Resolution Program for taxpayers who have been unable to resolve their problems with the IRS. If the corporation has a tax problem it has been unable to resolve through normal channels, write to the corporation's local IRS district director or call the corporation's local IRS office and ask for Problem Resolution Assistance. Hearing-impaired persons who have access to TDD equipment may call 1-800-829-4059 to ask for help. The Problem Resolution office will ensure that your problem receives proper attention. Although the office cannot change the tax law or make technical decisions, it can help clear up problems that resulted from previous contacts.

Other Forms, Returns, and Statements That May Be Required

Forms

The corporation may have to file any of the following:

Form W-2, Wage and Tax Statement, and Form W-3, Transmittal of Income and Tax Statements.

Form 720, Quarterly Federal Excise Tax Return. Use Form 720 to report the 10% excise tax that applies to the following items, to the extent the sales price exceeds the amounts shown:

- Passenger vehicles, \$30,000;
- Boats and yachts, \$100,000;
- Aircraft, \$250,000; and
- Jewelry and furs, \$10,000.

Form 720 is also used to report environmental excise taxes, communications and air transportation taxes, fuel taxes, manufacturers taxes, ship passenger tax, and certain other excise taxes.

Caution: A 100% penalty may apply if certain excise taxes that must be collected are not collected or are not paid to the IRS. The penalty is 100% of the unpaid taxes. The 100% penalty may be imposed on all persons who are determined by the IRS to be responsible for collecting, accounting

for, and paying over these taxes, and who acted willfully in not doing so. See the instructions for Form 720 for more details, including the definition of responsible person.

Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation, Foreign Estate or Trust, or Foreign Partnership. Use this form to report transfers of property to a foreign corporation, foreign estate or trust, foreign partnership, and to pay any excise tax due under section 1491. On the day of the transfer, file Form 926 with the Service Center where the corporation is required to file its income tax return.

Also use Form 926 to report information required under section 6038B. A corporation that transfers property to a foreign corporation in an exchange described in section 367(a) or (d), or that makes an election to apply principles similar to the principles of section 367 to any transfer covered by the excise tax, must file Form 926 and attach the information required by Regulations section 1.6038B-1T. If section 6038B applies, file Form 926 and the required information with the corporation's income tax return for the tax year that includes the transfer date.

Form 940 or **Form 940-EZ**, Employer's Annual Federal Unemployment (FUTA) Tax Return. The corporation may be liable for FUTA tax and may have to file Form 940 or 940-EZ if it paid wages of \$1,500 or more in any calendar quarter or one or more employees worked for the corporation for some part of a day in any 20 different weeks during the calendar year.

Form 941, Employer's Quarterly Federal Tax Return. Employers must file this form quarterly to report income tax withheld and employer and employee social security and Medicare taxes. Agricultural employers must file **Form 943**, Employer's Annual Tax Return for Agricultural Employees, instead of Form 941, to report income tax withheld and employer and employee social security and Medicare taxes for farmworkers.

Caution: A 100% penalty may apply if income, social security, and Medicare taxes that must be withheld are not withheld or are not paid to the IRS. The penalty is 100% of the unpaid taxes. The 100% penalty may be imposed on all persons who are determined by the IRS to be responsible for collecting, accounting for, and paying over these taxes, and who acted willfully in not doing so. See *Circular E, Employer's Tax Guide* for *Circular A, Agricultural Employer's Tax Guide*, for details, including the definition of responsible person.

Form 966, Corporate Dissolution or Liquidation.

Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons, and **Form 1042S**, Foreign Person's U.S. Source Income Subject to Withholding. Use these forms to report and transmit withheld tax on payments or distributions made to nonresident alien individuals, foreign partnerships, or foreign corporations, to the extent such payments or distributions constitute gross income from sources within the United States (see sections 861 through 865). For more information, see sections 1441 and 1442, and **Pub. 515**, Withholding of Tax on Nonresident Aliens and Foreign Corporations.

Form 1096, Annual Summary and Transmittal of U.S. Information Returns.

Form 1098, Mortgage Interest Statement. This form is used to report the receipt from any individual of \$600 or more of mortgage interest and points in the course of the corporation's trade or business for any calendar year.

Forms 1099-A, B, DIV, INT, MISC, OID, PATR, R, and S. These information returns are for reporting abandonments, acquisitions through foreclosure, proceeds from broker and barter exchange transactions, interest payments and distributions, interest payments, payments for certain fishing boat crew members, medical and dental health care payments, direct sales of consumer goods for resale, miscellaneous income payments, nonemployee compensation, original issue discount, patronage dividends, distributions from profit-sharing plans, retirement plans, individual retirement arrangements, insurance contracts, etc., and proceeds from real estate transactions. Also use these returns to report amounts that were received as a nominee on behalf of another person.

For more information, see the Instructions for Forms 1099, 1098, 5498, and W-2G and **Pub. 937**, Employment Taxes and Information Returns.

Note: Every corporation must file Form 1099-MISC if, in the course of its trade or business, it makes payments of rents, commissions, or other fixed or determinable income (see section 6041) totaling \$600 or more to any one person during the calendar year.

Form 5452, Corporate Report of Nondividend Distributions.

Form 5498, Individual Retirement Arrangement Information. Use this form to report contributions (including rollover contributions) to an individual retirement arrangement (IRA) and the value of an IRA or simplified employee pension (SEP) account.

Form 5713, International Boycott Report, for persons having operations in or related to "boycotting" countries. Also, persons who participate in or cooperate with an international boycott

may have to complete Schedule A or Schedule B and Schedule C of Form 5713 to compute their loss of the following items: the foreign tax credit, the deferral of earnings of a controlled foreign corporation, IC-DISC benefits, and FSC benefits.

Form 8264, Application for Registration of a Tax Shelter. It is used by tax shelter organizers to register tax shelters with the IRS, for the purpose of receiving a tax shelter registration number.

Form 8271, Investor Reporting of Tax Shelter Registration Number. Taxpayers who have acquired an interest in a tax shelter which is required to be registered use this form to report the tax shelter's registration number. Form 8271 must be attached to any tax return (including an application for tentative refund (Form 1139) and an amended return (Form 1120X)) on which a deduction, credit, loss, or other tax benefit attributable to a tax shelter is taken or any income attributable to a tax shelter is reported.

Form 8275, Disclosure Statement. Form 8275 is used by taxpayers and income tax return preparers to disclose items or positions, except those contrary to a regulation (see **Form 8275-R**, below) that are not otherwise adequately disclosed on a tax return. The disclosure is made to avoid parts of the accuracy-related penalty imposed for negligence, disregard of rules, or substantial understatement of tax. Form 8275 is also used for disclosures relating to preparer penalties for understatements due to unrealistic positions or for willful or reckless conduct.

Form 8275-R, Regulation Disclosure Statement, is used to disclose any item on a tax return for which a position has been taken that is contrary to Treasury regulations.

Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments. This form is generally required to be filed by issuers of public offerings of debt instruments within 30 days of the issuance of the debt instrument.

Form 8300, Report of Cash Payments Over \$10,000 Received in a Trade or Business. Generally, this form is used to report the receipt of more than \$10,000 in cash or foreign currency in one transaction or in a series of related transactions.

After February 2, 1992, cashier's checks, bank drafts, and money orders with face amounts of \$10,000 or less are considered cash under certain circumstances. For more information, see **Form 8300** and Regulations section 1.60501-1(c).

Form 8594, Asset Acquisition Statement, must be filed by both the purchaser and seller of a group of assets constituting a trade or business if

goodwill or a going concern value attaches, or could attach, to such assets and if the purchaser's basis in the assets is determined only by the amount paid for the assets.

Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. A corporation that was a shareholder in a passive foreign investment company (as defined in section 1296) at any time during the tax year must complete and attach this form to its return.

Form 8697, Interest Computation Under the Look-Back Method for Completed Long-Term Contracts. Use this form to figure the interest due or to be refunded under the look-back method of section 460(b)(2) on certain long-term contracts that are accounted for under either the percentage of completion-capitalized cost method or the percentage of completion method.

Form 8810, Corporate Passive Activity Loss and Credit Limitations. Closely held corporations and personal service corporations, which are subject to the passive activity limitations of section 469, use this form to compute their allowable passive activity loss and credit.

Form 8817, Allocation of Patronage and Nonpatronage Income and Deductions. Taxable cooperatives with gross receipts of \$10 million or more that have both patronage and nonpatronage source income and deductions must complete and attach this form to the return.

Consolidated Return

The parent corporation of an affiliated group of corporations must attach **Form 851**, Affiliations Schedule, to the consolidated return. For the first year a consolidated return is filed, each subsidiary must attach **Form 1122**, Authorization and Consent of Subsidiary Corporation to be Included in a Consolidated Income Tax Return.

File supporting statements for each corporation included in the consolidated return. Use columns to show the following, both before and after adjustments:

- Items of gross income and deductions.
- A computation of taxable income.
- Balance sheets as of the beginning and end of the tax year.
- A reconciliation of income per books with income per return.
- A reconciliation of retained earnings.

Attach consolidated balance sheets and a reconciliation of consolidated retained earnings.

Amended Return

Use **Form 1120X**, Amended U.S. Corporation Income Tax Return, to

correct any error in a previously filed Form 1120 or Form 1120-A.

Statements

Stock ownership in foreign corporations.—Attach the statement required by section 551(c) if (a) the corporation owned 5% or more in value of the outstanding stock of a foreign personal holding company and (b) the corporation was required to include in its gross income any undistributed foreign personal holding company income from a foreign personal holding company.

A corporation may have to file **Form 5471**, Information Return of U.S. Persons With Respect to Certain Foreign Corporations, if any of the following applies:

1. It controls a foreign corporation.
2. It acquires, disposes of, or owns 5% or more in value of the outstanding stock of a foreign corporation.
3. It is a 10%-or-more shareholder of a foreign personal holding company.
4. It owns stock in a foreign corporation that is a controlled foreign corporation for an uninterrupted period of 30 days or more during the tax year of the foreign corporation that ends with or within its tax year, and it owned that stock on the last day of the foreign corporation's tax year.

Foreign ownership in a domestic corporation.—A domestic corporation that is 25% or more foreign-owned may have to file **Form 5472**, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. See the instructions on page 18 for more information.

Transfers to a corporation controlled by the transferor.—If a person receives stock of a corporation in exchange for property, and no gain or loss is recognized under section 351, the person (transferor) and the transferee must each attach to their tax returns the information required by Regulations section 1.351-3.

Attachments

Attach **Form 4136**, Credit for Federal Tax Paid on Fuels, after page 4, **Form 1120**, or page 2, **Form 1120-A**. Attach schedules in alphabetical order and other forms in numerical order after **Form 4136**.

To assist us in processing the return, please complete every applicable entry space on **Form 1120** or **Form 1120-A**. Do not write "See attached" instead of completing the entry spaces. If you need more space on the forms or schedules, attach separate sheets and show the same information in the same order as on the printed forms. But show your totals on the printed forms. Please use sheets that are the same size as the forms and schedules. Attach these

separate sheets after all the schedules and forms. Be sure to put the corporation's name and EIN on each sheet.

Specific Instructions

Period Covered

File the 1992 return for calendar year 1992 and fiscal years that begin in 1992 and end in 1993. For a fiscal year, fill in the tax year space at the top of the form.

Note: The 1992 Form 1120 may also be used if (1) the corporation has a tax year of less than 12 months that begins and ends in 1993 and (2) the 1993 Form 1120 is not available by the time the corporation is required to file its return. However, the corporation must show its 1993 tax year on the 1992 Form 1120 and incorporate any tax law changes that are effective for tax years beginning after December 31, 1992.

Name, Address, and Employer Identification Number (EIN)

Use the label on the package that was mailed to the corporation. Cross out any errors and print the correct information on the label. If the corporation doesn't have a label, print or type the corporation's true name (as set forth in the charter or other legal document creating it), address, and EIN on the appropriate lines.

Address.—Include the suite, room, or other unit number after the street address. If a preaddressed label is used, please include this information on the label.

If the Post Office does not deliver mail to the street address and the corporation has a P.O. box, show the box number instead of the street address.

Note: If a change in address occurs after the return is filed, the corporation should use **Form 8822**, Change of Address, to notify the IRS of the new address.

Employer identification number (EIN).—Show the correct EIN in Item B on page 1 of Form 1120 or Form 1120-A. If the corporation does not have an EIN, it should apply for one on **Form SS-4**, Application for Employer Identification Number. Form SS-4 can be obtained at most IRS or Social Security Administration (SSA) offices. If the corporation has not received its EIN by the time the return is due, write "Applied for" in the space for the EIN. See **Pub. 583** for more information.

Item A—Personal Service Corporation

The term "personal service corporation" means a corporation whose principal activity during the testing period for the tax year is the performance of personal services that are substantially performed

ry employee-owners who own more than 10% of the fair market value of the corporation's outstanding stock as of the last day of the testing period for the tax year.

The testing period for a tax year is the tax year preceding the tax year. The testing period for a new corporation in its first tax year is the period beginning on the first day of its first tax year and ending on the earlier of the last day of its first tax year or the last day of the calendar year in which the first tax year began.

Activities that are treated as the performance of personal services are those that involve the performance of services in the fields of health, law, engineering, architecture, accounting, actuarial science, performing arts, or consulting (as such fields are defined in Temporary Regulations section 1.448-1T(e)).

Personal services are substantially performed by employee-owners if more than 20% of the corporation's compensation cost for the testing period attributable to the performance of personal services is attributable to personal services performed by employee-owners.

A person is considered to be an employee-owner if the person is an employee of the corporation on any day of the testing period and the person owns any outstanding stock of the corporation on any day of the testing period. Stock ownership is determined under the attribution rules of section 318 (except that "any" is substituted for "50%" in section 318(a)(2)(C)).

For details, see Temporary Regulations section 1.441-4T.

Item D—Total Assets

Enter the corporation's total assets (as determined by the accounting method regularly used in keeping the corporation's books and records) at the end of the tax year. If there are no assets at the end of the tax year, enter the total assets as of the beginning of the tax year.

Item E—Initial Return, Final Return, or Change in Address

If this is the corporation's first return, check the "Initial return" box. If the corporation ceases to exist, file Form 1120 and check the "Final return" box. Do not file Form 1120-A.

If the corporation has changed its address since it last filed a return, check the box for "Change in address."

Income

Note: Generally, income from all sources, whether U.S. or foreign, must be included.

Line 1

Gross Receipts

Enter gross receipts or sales from all business operations except those that must be reported on lines 4 through 10. For reporting advance payments, see Regulations section 1.451-5. To report income from long-term contracts, see section 460.

Generally, the installment method cannot be used for dealer dispositions of property. A "dealer disposition" means any disposition of personal property by a person who regularly sells or otherwise disposes of property of the same type on the installment plan. The disposition of property used or produced in the farming business is not included as a dealer disposition. See section 453(i) for details and exceptions.

Enter on line 1 and carry the same amount to line 3, the gross profit on collections from installment sales for any of the following:

- Dealer dispositions of property before March 1, 1986.
- Dispositions of property used or produced in the trade or business of farming.
- Certain dispositions of timeshares and residential lots reported under the installment method.

Attach a schedule showing the following information for the current and the 3 preceding years: (a) gross sales, (b) cost of goods sold, (c) gross profits, (d) percentage of gross profits to gross sales, (e) amount collected, and (f) gross profit on the amount collected.

For sales of timeshares and residential lots reported under the installment method, the corporation's income tax is increased by the interest payable under section 453(i)(3). To report this addition to the tax, see the instructions for line 10, Schedule J, Form 1120 on page 16.

Accrual method taxpayers need not accrue certain amounts to be received from the performance of services that, on the basis of their experience, will not be collected (section 448(d)(5)). This provision does not apply to any amount if interest is required to be paid on the amount or if there is any penalty for failure to timely pay the amount.

Corporations that fall under this provision should attach a schedule showing total gross receipts, the amount not accrued as a result of the application of section 448(d)(5), and the net amount accrued. Enter the net amount on line 1a. For more information and guidelines on this "non-accrual experience method," see Temporary Regulations section 1.448-2T.

Line 2

Cost of Goods Sold

Enter the cost of goods sold on line 2, page 1, of Form 1120 or Form 1120-A. Before making this entry, a Form 1120 filer must complete Schedule A on page 2 of Form 1120. Form 1120-A filers may use the worksheet on page 12 to figure the amount to enter on line 2. Both Form 1120 and Form 1120-A filers should see the instructions for Schedule A and the worksheet on page 12.

Line 4

Dividends

Form 1120 filers.—See the instructions for Schedule C on page 13. Then, complete Schedule C and enter on line 4 the amount from Schedule C, line 19.

Form 1120-A filers.—Enter the total dividends received (that are not from debt-financed stock) from domestic corporations that qualify for the 70% dividends-received deduction.

Line 5

Interest

Enter taxable interest on U.S. obligations and on loans, notes, mortgages, bonds, bank deposits, corporate bonds, tax refunds, etc.

Do not offset interest expense against interest income.

Special rules apply to interest income from certain below-market-rate loans. See section 7872 for more information.

Line 6

Gross Rents

Enter the gross amount received for the rent of property. Deduct expenses such as repairs, interest, taxes, and depreciation on the proper lines for deductions. A rental activity held by a closely held corporation or a personal service corporation may be subject to the passive activity loss rules. See Form 8810 and the related instructions.

Line 8

Capital Gain Net Income

Every sale or exchange of a capital asset must be reported in detail on Schedule D (Form 1120), Capital Gains and Losses, even though no gain or loss is indicated.

Line 9

Net Gain or (Loss)

Enter the net gain or (loss) from line 20, Part II, Form 4797, Sales of Business Property.

Line 10

Other Income

Enter any other taxable income not reported on lines 1 through 9. List the type and amount of income on an attached schedule. If the corporation has only one item of other income, describe it in parentheses on line 10. Examples of other income to report on line 10 are:

- Any adjustment under section 481(a) required to be included in income during the current tax year due to a change in a method of accounting;
- Recoveries of bad debts deducted in prior years under the specific charge-off method;
- The amount of credit for alcohol used as fuel (determined without regard to the limitation based on tax) that was entered on Form 6478, Credit for Alcohol Used as Fuel; and
- Refunds of taxes deducted in prior years to the extent they reduced income subject to tax in the year deducted (see section 111). Do not offset current year taxes against tax refunds.

Deductions

Limitations on Deductions

Section 263A uniform capitalization rules.—These rules require corporations to capitalize or include in inventory certain costs incurred in connection with the production of real and personal tangible property held in inventory or held for sale in the ordinary course of business. Tangible personal property produced by a corporation includes a film, sound recording, videotape, book, or similar property. The rules also apply to personal property (tangible and intangible) acquired for resale. Corporations subject to the rules are required to capitalize not only direct costs but an allocable portion of most indirect costs (including taxes) that relate to the assets produced or acquired for resale. Interest expense paid or incurred during the production period of certain property must be capitalized and is governed by special rules. For more information, see Notice 88-99, 1988-2 C.B. 422. The uniform capitalization rules also apply to the production of property constructed or improved by a taxpayer for use in its trade or business or in an activity engaged in for profit.

Section 263A does not apply to personal property acquired for resale if the taxpayer's annual average gross receipts are \$10 million or less. It does not apply to timber or to most property produced under a long-term contract. Special rules apply for farmers. The rules do not apply to property that is produced for use by the corporation if substantial construction occurred before March 1, 1986.

In the case of inventory, some of the indirect costs that must be capitalized are administration expenses; taxes; depreciation; insurance; compensation paid to officers attributable to services; rework labor; and contributions to pension, stock bonus, and certain profit-sharing, annuity, or deferred compensation plans.

The costs that must be capitalized under section 263A are not deductible until the property to which the costs relate is sold, used, or otherwise disposed of by the corporation.

Current deductions may still be claimed for reasonable research and experimental costs under section 174, intangible drilling costs for oil and gas and geothermal property, and mining and exploration and development costs. Temporary Regulations section 1.263A-1T specifies other indirect costs that may be currently deducted and those that must be capitalized with respect to production or resale activities. For more information, see Temporary Regulations section 1.263A-1T.

Transactions between related taxpayers.—Generally, an accrual basis taxpayer may only deduct business expenses and interest owed to a related party in the year the payment is included in the income of the related party. See sections 163(e)(3), 163(j), and 267 for limitations on deductions for unpaid interest and expenses.

Section 291 limitations.—Corporations may be required to adjust deductions for depletion of iron ore and coal, intangible drilling and exploration and development costs, certain deductions for financial institutions, and the amortizable basis of pollution control facilities. See section 291 to determine the amount of adjustment. Also see section 43.

Golden parachute payments.—A portion of the payments made by a corporation to key personnel that exceeds their usual compensation may not be deductible. This occurs when the corporation has an agreement (golden parachute) with these key employees to pay them these excessive amounts if control of the corporation changes. See section 280G.

Business startup expenses.—Business startup expenses are required to be capitalized unless an election is made to amortize them over a period of 60 months. See section 195.

Passive activity limitations.—Limitations on passive activity losses and credits under section 469 apply to personal service corporations as defined in Temporary Regulations section 1.441-4T (see Item A—Personal Service Corporation on page 6) and closely held corporations.

For this purpose, a corporation is a closely held corporation if at any time during the last half of the tax year more

than 50% in value of its outstanding stock is owned, directly or indirectly, by or for not more than five individuals, and the corporation is not a personal service corporation. Certain organizations are treated as individuals for purposes of this test. (See section 542(a)(2).) For rules of determining stock ownership, see section 544 (as modified by section 465(a)(3)).

There are two kinds of passive activities: trade or business activities in which the corporation did not materially participate (see Temporary Regulations section 1.469-1T(g)(3)) for the tax year, and rental activities regardless of its participation. An activity is a trade or business activity if the activity involves the conduct of a trade or business (i.e., deductions from the activity would be allowable under section 162 if other limitations, such as the passive loss rules, did not apply), or the activity involves research or experimental expenditures that are deductible under section 174 (or would be deductible if the corporation chose to deduct rather than capitalize them), and the activity is not a rental activity.

Corporations subject to the passive activity limitations must complete Form 8810 to compute their allowable passive activity loss and credit. Before completing Form 8810, see Temporary Regulations section 1.163-8T, which provides rules for allocating interest expense among activities. If a passive activity is also subject to the at-risk rules of section 465, the at-risk rules apply before the passive loss rules. For more information, see section 469, the related regulations, and Pub. 925, Passive Activity and At-Risk Rules.

Line 12

Compensation of Officers

Enter any officers' compensation on line 12. Before entering an amount on line 12, Form 1120 filers must complete Schedule E on page 2 if their total receipts (line 1a, plus lines 4 through 10, of page 1, Form 1120) are \$500,000 or more. Do not include compensation deductible elsewhere on the return, such as amounts included in cost of goods sold, elective contributions to a section 401(k) cash or deferred arrangement, or amounts contributed under a salary reduction SEP agreement.

Complete Schedule E, line 1, columns (a) through (f), for all officers. The corporation determines who is an officer under the laws of the state where incorporated.

If a consolidated return is filed, each member of an affiliated group must furnish this information.

Line 13**Salaries and Wages**

Enter the amount of total salaries and wages paid or incurred for the tax year. Do not include salaries and wages deductible elsewhere on the return, such as amounts included in cost of goods sold, elective contributions to a section 401(k) cash or deferred arrangement, or amounts contributed under a salary reduction SEP agreement.

Caution: If the corporation provided taxable fringe benefits to its employees, such as personal use of a car, do not deduct as wages the amount allocated for depreciation and other expenses claimed on lines 20 and 26, Form 1120, or lines 20 and 22, Form 1120-A.

Enter on line 13b the amount of jobs credit from Form 5694, Jobs Credit.

Line 14**Repairs**

Enter the cost of incidental repairs not claimed elsewhere on the return, such as labor and supplies, that do not add to the value of the property or appreciably prolong its life. New buildings, machinery, or permanent improvements that increase the value of the property are not deductible. They must be depreciated or amortized.

Line 15**Bad Debts**

Enter the total debts that became worthless in whole or in part during the tax year. A small bank or thrift institution using the reserve method should attach a schedule showing how it arrived at the current year's provision.

Caution: A cash basis taxpayer may not claim a bad debt deduction unless the amount was previously included in income.

Line 16**Rents**

If the corporation rented or leased a vehicle, enter the total annual rent or lease expense paid or incurred during the year. Also complete Part V of Form 4562, Depreciation and Amortization. If the corporation leased a vehicle for a term of 30 days or more, the deduction for vehicle lease expense may have to be reduced by an amount called the inclusion amount. The corporation may have an inclusion amount if:

And the vehicle's fair market value on the first day of the lease exceeded:

The lease term began:	
After 12/31/91	\$14,000
After 12/31/90 but before 1/1/92	\$13,400
After 12/31/86 but before 1/1/91	\$12,800

If the lease term began after June 18, 1984, but before January 1, 1987, see

Pub. 917, Business Use of a Car, to find out if the corporation has an inclusion amount. Also see Pub. 917 for instructions on figuring the inclusion amount.

Line 17**Taxes**

Enter taxes paid or accrued during the tax year, but do not include the following:

- Federal income taxes (except the environmental tax under section 59A);
- Foreign or U.S. possession income taxes if a tax credit is claimed;
- Taxes not imposed on the corporation;
- Taxes, including state or local sales taxes, that are paid or incurred in connection with an acquisition or disposition of property (these taxes must be treated as a part of the cost of the acquired property or, in the case of a disposition, as a reduction in the amount realized on the disposition);
- Taxes assessed against local benefits that increase the value of the property assessed (such as for paving, etc.); or
- Taxes deducted elsewhere on the return, such as those reflected in cost of goods sold.

See section 164(d) for apportionment of taxes on real property between seller and purchaser.

If the corporation is liable for the environmental tax under section 59A, see Form 4626, Alternative Minimum Tax—Corporations, for computation of the environmental tax deduction.

Line 18**Interest**

If the proceeds of a loan were used for more than one purpose (e.g., to purchase a portfolio investment and to acquire an interest in a passive activity), an interest allocation must be made. See Temporary Regulations section 1.163-8T for the interest allocation rules.

Do not include interest on indebtedness incurred or continued to purchase or carry obligations if the interest is wholly exempt from income tax. For exceptions, see section 265(b).

Mutual savings banks, building and loan associations, and cooperative banks can deduct the amounts paid or credited to the accounts of depositors as dividends, interest, or earnings. See section 591.

Generally, a cash basis taxpayer cannot deduct prepaid interest allocable to years following the current tax year. For example, a cash basis calendar year taxpayer who in 1992 prepaid interest allocable to any period after 1992 can deduct only the amount allocable to 1992.

Generally, the interest and carrying charges on straddles cannot be

deducted and must be capitalized. See section 263(g).

See section 163(e)(5) for special rules for the disqualified portion of original issue discount on a high yield discount obligation.

Certain interest paid or accrued by the corporation (directly or indirectly) to a related person may be limited if no tax is imposed on that interest. See section 163(g) for more detailed information.

Do not deduct interest on debt allocable to the production of qualified property. Interest that is allocable to property produced by a corporation for its own use or for sale must be capitalized. A corporation must also capitalize any interest on debt allocable to an asset used to produce the above property. See section 263A and Notice 88-99 for definitions and more information.

See section 7872 for special rules regarding the deductibility of foregone interest on certain below-market-rate loans.

Line 19**Charitable Contributions**

Enter contributions or gifts actually paid within the tax year to or for the use of charitable and governmental organizations described in section 170(c) and any unused contributions carried over from prior years.

The total amount claimed may not be more than 10% of taxable income (line 30, Form 1120, or line 26, Form 1120-A) computed without regard to the following:

- Any deduction for contributions,
- The special deductions on line 29b, Form 1120 (line 25b, Form 1120-A),
- The deduction allowed under section 249,
- Any net operating loss (NOL) carryback to the tax year under section 172, and
- Any capital loss carryback to the tax year under section 1212(a)(1).

Charitable contributions over the 10% limitation may not be deducted for the tax year but may be carried over to the next 5 tax years.

Taxable income is modified in order to determine the NOL used in an intervening year (i.e., a year to which an NOL is carried but not fully absorbed). For this purpose, taxable income is computed by determining the NOL deduction for the year without regard to the NOL for the loss year or any later year. See section 172(b)(2). To the extent charitable contributions are used to reduce taxable income for this purpose and increase an NOL carryover, a contributions carryover is not allowed. See section 170(d)(2)(B).

Corporations on the accrual basis may elect to deduct contributions paid by the 15th day of the 3rd month after the end of the tax year if the contributions are authorized by the board of directors during the tax year. Attach a declaration to the return, signed by an officer, stating that the resolution authorizing the contributions was adopted by the board of directors during the tax year. Also attach a copy of the resolution.

If a corporation (other than a closely held or personal service corporation) contributes property other than cash and the deduction claimed for the property exceeds \$500, the corporation must attach a schedule to the return describing the kind of property contributed and the method used to determine its fair market value. Closely held corporations and personal service corporations must complete Form 8283, Noncash Charitable Contributions, and attach it to their returns. All other corporations generally must complete and attach Form 8283 to their returns for contributions of property other than money if the total claimed deduction for all property contributed was more than \$5,000.

A corporation must also keep records, as required by the regulations for section 170, for all of its charitable contributions.

If the corporation made a "qualified conservation contribution" under section 170(h), also include the fair market value of the underlying property before and after the donation, as well as the type of legal interest contributed, and describe the conservation purpose benefited by the donation.

If a contribution carryover is included, show the amount and how it was determined.

Special rule for contributions of certain property.—For a charitable contribution of property, the corporation must reduce the contribution by the sum of:

- The ordinary income, short-term capital gain that would have resulted if the property were sold at its fair market value, and
- For certain contributions, all of the long-term capital gain that would have resulted if the property were sold at its fair market value.

The reduction for the long-term capital gain applies to:

- Contributions of tangible personal property for use by an exempt organization for a purpose or function unrelated to the basis for its exemption, and
- Contributions of any property (except stock for which market quotations are readily available—see section 170(e)(5)) to or for the use of certain private foundations. See section 170(e) and Regulations section 1.170A-4.

For special rules for contributions of inventory and other property to certain organizations, see section 170(e)(3) and Regulations section 1.170A-4A.

Charitable contributions of scientific property used for research.—A corporation (other than a personal holding company or a service organization) can receive a larger deduction for contributing scientific property used for research to an institution of higher education. For more details, see section 170(e).

Line 20**Depreciation**

Besides depreciation, include on line 20 the part of the cost (up to \$10,000) that the corporation elected to expense for certain tangible property placed in service during tax year 1992 or carried over from 1991. See Form 4562, Depreciation and Amortization, and its instructions.

Line 22 (Form 1120 only)**Depletion**

See sections 613 and 613A for percentage depletion rates applicable to natural deposits. Also, see section 291 for the limitation on the depletion deduction for iron ore and coal (including lignite).

Foreign intangible drilling costs and foreign exploration and development costs must either be added to the corporation's basis for cost depletion purposes or be deducted ratably over a 10-year period. See sections 263(f), 616, and 617 for details.

Attach Form T (Timber), Forest Industries Schedules, if a deduction for depletion of timber is taken.

Line 24 (Form 1120 only)**Pension, Profit-Sharing, etc., Plans**

Enter the deduction for contributions to pension, profit-sharing, or other funded deferred compensation plans. Employers who maintain such a plan generally must file one of the forms listed below, even if the plan is not a "qualified" plan under the Internal Revenue Code. The filing requirement applies even if the corporation does not claim a deduction for the current tax year. There are penalties for failure to file these forms on time and for overstating the pension plan deduction. See sections 6652(e) and 6662(f).

Form 5500.—Complete this form for each plan with 100 or more participants.

Form 5500-C/R.—Complete this form for each plan with fewer than 100 participants.

Form 5500EZ.—Complete this form for a one-participant plan. The term "one-participant plan" also means a plan that covers the owner and his or her

spouse, or a plan that covers partners in a business partnership (or the partners and their spouses).

Line 25 (Form 1120 only)**Employee Benefit Programs**

Enter contributions to employee benefit programs not claimed elsewhere on the return (e.g., insurance, health and welfare programs) that are not an incidental part of a pension, profit-sharing, etc., plan included on line 24.

Line 26, Form 1120 (Line 22, Form 1120-A)**Other Deductions**

Attach a separate sheet listing all allowable deductions that are not deductible elsewhere on Form 1120 or Form 1120-A. Form 1120-A filers should include amounts described in the instructions above for lines 22, 24, and 25 of Form 1120. Enter the total on line 26, Form 1120 (line 22, Form 1120-A).

Include on this line the deduction for amortization of pollution control facilities, organization expenses, etc. See Form 4562.

A corporation may deduct dividends it pays in cash on stock held by an employee stock ownership plan. However, a deduction may only be taken if, according to the plan, the dividends are:

- Paid in cash directly to the plan participants or beneficiaries;
- Paid to the plan, which distributes them in cash to the plan participants or their beneficiaries no later than 90 days after the end of the plan year in which the dividends are paid; or
- Used to make payments on a loan described in section 404(a)(9).

See section 404(k) for more details and the limitation on certain dividends.

Generally, a deduction may not be taken for any amount that is allocable to a class of exempt income. See section 265(b) for exceptions.

Generally, the corporation can deduct only 80% of the amount otherwise allowable for meals and entertainment expenses paid or incurred in its trade or business. Also, meals must not be lavish or extravagant; a bona fide business discussion must occur during, immediately before, or immediately after the meal; and an employee of the corporation must be present at the meal. See section 274(k)(2) for exceptions. If the corporation claims a deduction for unallowable meal expenses, it may have to pay a penalty.

Additional limitations apply to deductions for gifts, skybox rentals, luxury water travel, convention expenses, and entertainment tickets. For details, see section 274 and Pub. 463,

Travel, Entertainment, and Gift Expenses.

Generally, a corporation can deduct all other ordinary and necessary travel and entertainment expenses paid or incurred in its trade or business. However, it cannot deduct an expense paid or incurred for a facility (such as a yacht or hunting lodge) that is used for an activity that is usually considered entertainment, amusement, or recreation.

Note: The corporation may be able to deduct the expense if the amount is treated as compensation and reported on Form W-2 for an employee or on Form 1099-MISC for an independent contractor.

Note: Do not deduct penalties such as those listed under Interest and Penalties on page 4.

Line 28, Form 1120 (Line 24, Form 1120-A)**Taxable Income Before NOL Deduction and Special Deductions**

At-risk rules.—Special at-risk rules under section 465 generally apply to closely held corporations (see *Passive activity limitations* on page 8) engaged in any activity as a trade or business or for the production of income. These corporations may have to adjust the amount on line 28, Form 1120, or line 24, Form 1120-A. (See below.) But the at-risk rules do not apply to the following:

- Holding real property placed in service by the taxpayer before 1987;
- Equipment leasing under sections 465(c)(4), (5), and (6); and
- Any qualifying business of a qualified corporation under section 465(c)(7).

However, the at-risk rules do apply to the holding of mineral property.

If the at-risk rules apply, adjust the amount on this line for any section 465(d) losses. These losses are limited to the amount for which the corporation is at risk for each separate activity at the close of the tax year. If the corporation is involved in one or more activities, any of which incurs a loss for the year, report the losses for each activity separately. Attach Form 6198, At-Risk Limitations, showing the amount at risk and gross income and deductions for the activities with the losses.

If the corporation sells or otherwise disposes of an asset or its interest (either total or partial) in an activity to which the at-risk rules apply, determine the net profit or loss from the activity by combining the gain or loss on the sale or disposition with the profit or loss from the activity. If the corporation has a net loss, it may be limited because of the at-risk rules.

Treat any loss from an activity not allowed for the tax year as a deduction

allocable to the activity in the next tax year.

Line 29a, Form 1120 (Line 25a, Form 1120-A)**Net Operating Loss Deduction**

The net operating loss (NOL) deduction is the total of the NOL carryovers and carrybacks that can be deducted in the tax year. See section 172(a). If this deduction is taken, show its computation on an attached schedule.

Generally, a corporation may carry an NOL back to each of the 3 years preceding the year of the loss and carry it over to each of the 15 years following the year of the loss. Personal service corporations are not permitted to carry back an NOL to or from any tax year to which a section 444 election applies.

A corporation may carry back 10 years the part of the NOL attributable to a product liability loss (section 172(b)(1)(C)). See Regulations section 1.172-13(c) for the required statement that must be attached to Form 1120 when claiming the 10-year carryback on product liability losses.

There is also an election to carry an NOL over to each of the 15 years following the year of the loss. To make this election, check the box in Question 13 on Schedule K. The return must be timely filed (including extensions). The election is irrevocable. Section 172(b)(1) describes types of losses for which the 15-year carryover period does not apply. Also see section 172(b)(1)(E) for special rules for a corporation with an excess interest loss if the corporation had an equity reduction interest loss for any loss limitation year ending after August 2, 1989.

After applying the NOL to the first tax year to which it may be carried, the portion of the loss the corporation may carry to each of the remaining tax years is the excess, if any, of the loss over the sum of the modified taxable income for each of the prior tax years to which the corporation may carry the loss. See section 172(b).

If there is a carryback of an NOL, net capital loss, or an unused credit, file Form 1139, Corporation Application for Tentative Refund, within 12 months after the close of the tax year for a "quick refund" of taxes. See section 6411.

Caution: Do not attach Form 1139 to the corporation's income tax return. Mail it in a separate envelope to the service center where the corporation files its income tax return.

For carryback claims filed later than 12 months after the end of the tax year, file Form 1120X instead of Form 1139.

See section 172 for special rules, limitations, and definitions pertaining to NOL carrybacks and carryovers. Also see Pub. 536, Net Operating Losses.

See section 382 for the limitation on the amount of taxable income of a loss corporation for any tax year ending after a post-1986 ownership change that may be offset by pre-change NOL carryovers. Also see Temporary Regulations section 1.382-2T(a)(2)(ii), which requires that a loss corporation file an information statement with its income tax return for each tax year that it is a loss corporation and certain shifts in ownership occurred.

See section 384 for the limitation on the use of preacquisition losses of one corporation to offset recognized built-in gains of another corporation.

Line 29b, Form 1120 (Line 25b, Form 1120-A)**Special Deductions**

Form 1120 filers.—See the Instructions for Schedule C on page 13.

Form 1120-A filers.—Generally, enter 70% of line 4, page 1, on line 25b. However, this deduction may not be more than 70% of line 24, page 1. Compute line 24 without regard to any adjustment under section 1059 and without regard to any capital loss carryback to the tax year under section 1212(a)(1).

In a year in which an NOL occurs, this 70% limitation does not apply, even if the loss is created by the dividends-received deduction. See sections 172(d) and 246(b).

Line 30, Form 1120 (Line 26, Form 1120-A)**Taxable Income**

Capital construction fund.—To take a deduction for amounts contributed to a capital construction fund, reduce the amount that would otherwise be entered on line 30 (line 26, Form 1120-A) by the amount of the deduction. On the dotted line next to the entry space, write "CCF" and the amount of the deduction. For more information, get Pub. 595, Tax Guide for Commercial Fishermen.

Line 32b, Form 1120 (Line 28b, Form 1120-A)**Estimated Tax Payments**

Enter any estimated tax payments the corporation made for the tax year.

Beneficiaries of trusts.—If the corporation is the beneficiary of a trust, and the trust makes a section 643(g) election to credit its estimated tax payments to its beneficiaries, include the corporation's share of the estimated tax payment in the total amount entered on line 32b, Form 1120 (line 28b, Form 1120-A). Write "T" and the amount of the payment on the dotted line next to the entry space.

Special estimated tax payments for certain life insurance companies.—If

the corporation is required to make or apply special estimated tax payments (SETP) under section 847 in addition to its regular estimated tax payments, enter on line 32b (line 28b, Form 1120-A), the corporation's total estimated tax payments. On the dotted line next to the entry space, write "SETP" and the amount. Attach a schedule showing your computation of estimated tax payments. See section 847(2) and Form 8816, Special Loss Discount Account and Special Estimated Tax Payments for Insurance Companies, for more information.

Line 32g, Form 1120 (Line 28g, Form 1120-A)**Credit for Federal Tax on Fuels**

Complete and attach Form 4136 if the corporation qualifies to take this credit.

Credit for ozone-depleting chemicals.—Also include on line 32g (line 28g, Form 1120-A) any credit the corporation is claiming under section 4682(g)(3) for ozone-depleting chemicals used in the manufacture of rigid foam insulation. Write "ODC" to the left of the entry space.

Line 32h, Form 1120 (Line 28h, Form 1120-A)**Total Payments**

On Form 1120, add the amounts on lines 32c through 32g and enter the total on line 32h. On Form 1120-A, add the amounts on lines 28d through 28g and enter the total on line 28h.

Backup withholding.—If the corporation had income tax withheld from any payments it received, because, for example, it failed to give the payer its correct employer identification number, include the amount withheld in the total for line 32h, Form 1120 (line 28h, Form 1120-A). This type of withholding is called "backup withholding." On Form 1120, show the amount withheld in the blank space in the right hand column between lines 31 and 32h, and label the amount "backup withholding." On Form 1120-A, show the amount withheld on the dotted line to the left of line 28h, and label the amount "backup withholding."

Line 33, Form 1120 (Line 29, Form 1120-A)**Estimated Tax Penalty**

A corporation that does not make estimated tax payments when due may be subject to an underpayment penalty for the period of underpayment. Generally, a corporation is subject to the penalty if its tax liability is \$500 or more, and it did not timely pay the smaller of (a) 93% of its tax liability for 1992 (97% of its tax liability for a tax year beginning after June 30, 1992), or (b) 100% of its prior year's tax. See section 6655 for

details and exceptions, including special rules for large corporations.

Form 2220, Underpayment of Estimated Tax by Corporations, is used to see if the corporation owes a penalty and to figure the amount of the penalty. Generally, the corporation does not have to file this form because the IRS can figure the amount of any penalty and bill the corporation for it. However, you must complete and attach Form 2220 even if the corporation does not owe the penalty if:

- The annualized income or adjusted seasonal installment method is used, or
- The corporation is a "large corporation" computing its first required installment based on the prior year's tax. (See the Instructions for Form 2220 for the definition of a "large corporation.")

If you attach Form 2220, be sure to check the box on line 33, Form 1120 (line 29, Form 1120-A), and enter the amount of any penalty on this line.

Schedule A, Form 1120 (Worksheet, Form 1120-A)**Cost of Goods Sold**

All filers should see Section 263A uniform capitalization rules on page 8 before completing Schedule A or the worksheet on this page. The instructions for lines 4 through 7 below apply to both Schedule A and the worksheet.

Note: If inventories are not an income-determining factor, enter zero on lines 1 and 7 of Schedule A, Form 1120, or the worksheet.

Line 4**Additional Section 263A Costs**

An entry is required on this line only for corporations that have elected a simplified method of accounting. For taxpayers that have elected the simplified production method, additional section 263A costs are generally those costs, other than interest, that were not

capitalized or included in the inventory costs under the taxpayer's method of accounting immediately prior to the effective date in Temporary Regulations section 1.263A-1T, but that are now required to be capitalized under section 263A.

For taxpayers that have elected a simplified resale method, additional section 263A costs are generally those costs incurred with respect to the following categories: off-site storage or warehousing; purchasing; handling, processing, assembly, and repackaging; and general and administrative costs (mixed service costs). Enter on line 4 the balance of section 263A costs paid or incurred during the tax year not included on lines 2, 3, and 5. See Temporary Regulations section 1.263A-1T for more information.

Line 5**Other Costs**

Enter on line 5 any costs paid or incurred during the tax year not entered on lines 2 through 4.

Line 7**Inventory at End of Year**

See Temporary Regulations section 1.263A-1T for more details on computing the amount of additional section 263A costs to be capitalized and added to ending inventory.

Lines 9a through 9e (Schedule A)**Inventory Valuation Methods**

Inventories can be valued at:

1. Cost;
2. Cost or market value (whichever is lower); or
3. Any other method approved by the IRS that conforms with the provisions of the applicable regulations cited below.

Corporations that use erroneous valuation methods must change to a method permitted for Federal income tax purposes. To make this change, use Form 3115.

Cost of Goods Sold Worksheet**Form 1120-A (keep for your records)**

1. Inventory at start of year. Enter here and in Part III, line 3, column (a), Form 1120-A.	1.
2. Purchases. Enter here and in Part II, line 5a(1), Form 1120-A.	2.
3. Cost of labor. Enter here and include in total in Part II, line 5a(3), Form 1120-A.	3.
4. Additional section 263A costs. Enter here and in Part II, line 5a(2), Form 1120-A (see instructions).	4.
5. Other costs. Enter here and include in Part II, line 5a(3), Form 1120-A.	5.
6. Total. Add lines 1 through 5.	6.
7. Inventory at end of year. Enter here and in Part III, line 3, column (b), Form 1120-A.	7.
8. Cost of goods sold. Subtract line 7 from line 6. Enter the result here and on page 1, line 2, Form 1120-A.	8.

On line 9a, check the method(s) used for valuing inventories. Under "lower of cost or market," the term "market" generally refers to normal market conditions where there is a current bid price prevailing at the date the inventory is valued. When no regular open market exists or when quotations are nominal because of inactive market conditions, use fair market prices from the most reliable sales or purchase transactions that occurred near the date the inventory is valued.

Inventory may be valued below cost when the merchandise is unsaleable at normal prices or unusable in the normal way because the goods are "subnormal" due to damage, imperfections, shopwear, etc., within the meaning of Regulations section 1.471-2(c). The goods may be valued at the current bona fide selling price, minus direct cost of disposition (but not less than scrap value) if such a price can be established.

If this is the first year the "Last-in, First-out" (LIFO) inventory method was either adopted or extended to inventory goods not previously valued under the LIFO method provided in section 472, attach Form 970, Application To Use LIFO Inventory Method, or a statement with the information required by Form 970. Also check the LIFO box on line 9b. On line 9c, enter the amount or the percent of total closing inventories covered under section 472. Estimates are acceptable.

If the corporation changed or extended its inventory method to LIFO and had to "write up" the opening inventory to cost in the year of election, report the effect of the writeup as income (line 10, page 1), proportionately over a 3-year period that begins with the year of the LIFO election (section 472(d)).

For more information on inventory valuation methods, get Pub. 538, Accounting Periods and Methods.

Schedule C (Form 1120 Only)

Dividends and Special Deductions

For purposes of the 20% ownership test on lines 1 through 7, the percentage of stock owned by the corporation is based on voting power and value of the stock. Preferred stock described in section 1504(a)(4) is not taken into account. Corporations filing a consolidated return should see Regulations sections 1.1502-14, 1.1502-26, and 1.1502-27 before completing Schedule C.

Line 1, Column (a)

Enter dividends (except those received on debt-financed stock acquired after July 18, 1984—see section 246A) that are received from less-than-20%-owned

domestic corporations subject to income tax and that are subject to the 70% deduction under section 243(a)(1). Include on this line taxable distributions from an IC-DISC or former DISC that are designated as eligible for the 70% deduction and certain dividends of Federal Home Loan Banks. See section 246(a)(2).

For dividends received from a regulated investment company, see section 854 for the amount subject to the 70% deduction.

Report so-called dividends or earnings received from mutual savings banks, etc., as interest. Do not treat them as dividends.

Line 2, Column (a)

Enter dividends (except those received on debt-financed stock acquired after July 18, 1984) that are received from 20%-or-more-owned domestic corporations subject to income tax and that are subject to the 80% deduction under section 243(c). Include on this line taxable distributions from an IC-DISC or former DISC that are considered eligible for the 80% deduction.

Line 3, Column (a)

Enter dividends on debt-financed stock acquired after July 18, 1984, that are received from domestic and foreign corporations subject to income tax and that would otherwise be subject to the dividends-received deduction under section 243(a)(1), 243(c), or 245(a). Generally, debt-financed stock is stock that the corporation acquired by incurring a debt (e.g., it borrowed money to buy the stock).

Line 3, Columns (b) and (c)

Dividends received on debt-financed stock acquired after July 18, 1984, are not entitled to the full 70% or 80% dividends-received deduction. The 70% or 80% deduction is reduced by a percentage that is related to the amount of debt incurred to acquire the stock. See section 246A. Also see section 245(a) before making this computation for an additional limitation that applies to dividends received from foreign corporations. Attach a schedule to Form 1120 showing how the amount on line 3, column (c), was figured.

Line 4, Column (a)

Enter dividends received on the preferred stock of a less-than-20%-owned public utility that is subject to income tax and is allowed the deduction provided in section 247 for dividends paid.

Line 5, Column (a)

Enter dividends received on preferred stock of a 20%-or-more-owned public utility that is subject to income tax and

is allowed the deduction provided in section 247 for dividends paid.

Line 6, Column (a)

Enter the U.S.-source portion of dividends that are received from less-than-20%-owned foreign corporations and that qualify for the 70% deduction under section 245(a). To qualify for the 70% deduction, the corporation must own at least 10% of the stock of the foreign corporation by vote and value. Also include dividends received from a less-than-20%-owned FSC that are attributable to income treated as effectively connected with the conduct of a trade or business within the United States (excluding foreign trade income) and that qualify for the 70% deduction provided in section 245(c)(1)(B).

Line 7, Column (a)

Enter the U.S.-source portion of dividends that are received from 20%-or-more-owned foreign corporations and that qualify for the 80% deduction under section 245(a). Also include dividends received from a 20%-or-more-owned FSC that are attributable to income treated as effectively connected with the conduct of a trade or business within the United States (excluding foreign trade income) and qualify for the 80% deduction provided in section 245(c)(1)(B).

Line 8, Column (a)

Enter dividends received from wholly owned foreign subsidiaries that are eligible for the 100% deduction provided in section 245(b).

In general, the deduction under section 245(b) applies to dividends paid out of the earnings and profits of a foreign corporation for a tax year during which:

- All of its outstanding stock is owned (directly or indirectly) by the domestic corporation receiving the dividends, and
- All of its gross income from all sources is effectively connected with the conduct of a trade or business within the United States.

Line 9, Column (c)

Limitation on Dividends-Received Deduction

Generally, line 9, column (c) may not exceed the amount from the worksheet on page 14. However, in a year in which an NOL occurs, this limitation does not apply even if the loss is created by the dividends-received deduction. See sections 172(d) and 246(b). Certain financial institutions to which section 593(a) applies should see section 596 for the special limitation on the dividends-received deduction.

Worksheet for Schedule C, line 9 (keep for your records)

1. Refigure line 2B, page 1, Form 1120, without any adjustment under section 1069 and without any capital loss carryback to the tax year under section 1212(b)(1)	1.
2. Complete lines 10, 11, and 12, column (c), and enter the total here	2.
3. Subtract line 2 from line 1	3.
4. Multiply line 3 by 80%	4.
5. Add lines 2, 5, 7, and 8, column (c), and the part of the deduction on line 3, column (c), that is attributable to dividends from 20%-or-more-owned corporations	5.
6. Enter the smaller of line 4 or 5. If line 5 is greater than line 4, stop here; enter the amount from line 5 on line 9, column (c), and do not complete the rest of the worksheet	6.
7. Enter the total amount of dividends from 20%-or-more-owned corporations that are included on lines 2, 3, 5, 7, and 8, column (a)	7.
8. Subtract line 7 from line 3	8.
9. Multiply line 8 by 70%	9.
10. Subtract line 5 above from line 9, column (c)	10.
11. Enter the smaller of line 9 or line 10	11.
12. Dividends-received deduction after limitation (see 246(b)). Add lines 6 and 11. Enter the result on line 9, column (c)	12.

Line 10, Columns (a) and (c)

Small business investment companies operating under the Small Business Investment Act of 1958 (15 U.S.C. 661 and following) must enter dividends that are received from domestic corporations subject to income tax even though a deduction is allowed for the entire amount of those dividends. To claim the 100% deduction on line 10, column (c), the company must file with its return a statement that it was a Federal licensee under the Small Business Investment Act of 1958 at the time it received the dividends.

Line 11, Column (a)

Enter dividends from FSCs that are attributable to foreign trade income and that are eligible for the 100% deduction provided in section 245(c)(1)(A).

Line 12, Columns (a) and (c)

Enter only those dividends that qualify under section 243(b) for the 100% dividends-received deduction described in section 243(a)(3). Corporations taking this deduction are subject to the provisions of section 1561.

Line 13, Column (a)

Enter foreign dividends not reportable on lines 3, 6, 7, 8, or 11 of column (a). Exclude distributions of amounts constructively taxed in the current year or in prior years under subpart F (sections 951 through 964).

Line 14, Column (a)

Include income constructively received from controlled foreign corporations under subpart F. This amount should equal the total of amounts reported on Schedule I, Form 5471.

Line 15, Column (a)

Include gross-up for taxes deemed paid under sections 902 and 960.

Line 16, Column (a)

Enter taxable distributions from an IC-DISC or former DISC that are designated as not eligible for a dividends-received deduction.

No deduction is allowed under section 243 for a dividend from an IC-DISC or former DISC (as defined in section 992(a)) to the extent the dividend:

1. Is paid out of the corporation's accumulated IC-DISC income or previously taxed income, or
2. Is a deemed distribution under section 995(b)(1).

Line 17, Column (a)

Include the following:

1. Dividends (other than capital gain dividends and exempt-interest dividends) that are received from regulated investment companies and that are not subject to the 70% deduction.
2. Dividends from tax-exempt organizations.
3. Dividends (other than capital gain dividends) received from a real estate investment trust that, for the tax year of the trust in which the dividends are paid, qualifies under sections 856 through 860.
4. Dividends not eligible for a dividends-received deduction because of the holding period of the stock or an obligation to make corresponding payments with respect to similar stock.

Two situations in which the dividends-received deduction will not be allowed on any share of stock are:

 - If the corporation held it 45 days or less (see section 246(c)(1)(A)), or

• To the extent the corporation is under an obligation to make related payments for substantially similar or related property.

5. Any other taxable dividend income not properly reported above (including distributions under section 936(h)(4)).

If patronage dividends or per-unit retain allocations are included on line 17, identify the total of these amounts in a schedule attached to Form 1120.

Line 18, Column (c)

Section 247 allows public utilities a deduction of 41.176% of the smaller of:

- Dividends paid on their preferred stock during the tax year, or
- Taxable income computed without regard to this deduction.

In a year in which an NOL occurs, compute the deduction without regard to section 247(a)(1)(B). See section 172(d).

Schedule J, Form 1120 (Part I, Form 1120-A)

Tax Computation

Line 3, Form 1120 (Line 1, Form 1120-A)

Most corporations figure their tax by using the Tax Rate Schedule below. Exceptions apply to members of a controlled group and qualified personal service corporations. See the instructions below for more information.

Tax Rate Schedule

If taxable income (line 30, Form 1120, or line 26, Form 1120-A) on page 1 is:

Over—	But not over—	Tax is:	Of the amount over—
\$0	\$50,000	15%	\$0
50,000	75,000	\$7,500 + 25%	50,000
75,000	100,000	\$13,750 + 34%	75,000
100,000	335,000	\$22,250 + 39%	100,000
335,000	-----	34%	0

Qualified personal service corporation.—A qualified personal service corporation is taxed at a flat rate of 34% on taxable income. A corporation is a qualified personal service corporation if it meets BOTH of the following tests:

- Substantially all of the corporation's activities involve the performance of services in the fields of health, law, engineering, architecture, accounting, actuarial science, performing arts, or consulting.
- At least 95% of the corporation's stock is owned by (1) employees performing the services, (2) retired employees who had performed the services listed above, (3) any estate of

Worksheet for Members of a Controlled Group (keep for your records)

Note: Each member of a controlled group (except a qualified personal service corporation) must compute the tax using the worksheet below.

- | | |
|---|-----------|
| 1. Enter taxable income (line 30, page 1, Form 1120). | 1. _____ |
| 2. Enter line 1 or the corporation's share of the \$50,000 taxable income bracket, whichever is less. | 2. _____ |
| 3. Subtract line 2 from line 1. | 3. _____ |
| 4. Enter line 3 or the corporation's share of the \$25,000 taxable income bracket, whichever is less. | 4. _____ |
| 5. Subtract line 4 from line 3. | 5. _____ |
| 6. Enter 15% of line 2. | 6. _____ |
| 7. Enter 25% of line 4. | 7. _____ |
| 8. Enter 34% of line 5. | 8. _____ |
| 9. If the taxable income of the controlled group exceeds \$100,000, enter this member's share of the smaller of:
(a) 5% of the excess over \$100,000, or
(b) \$11,750.
(See Additional 5% tax, below.) | 9. _____ |
| 10. Add lines 6 through 9. Enter this amount on line 3, Schedule J, Form 1120. | 10. _____ |

the employee or retiree described above, or (4) any person who acquired the stock of the corporation as a result of the death of an employee or retiree if the acquisition occurred within 2 years of death. See Temporary Regulations section 1.448-17(e) for details.

Note: If the corporation meets these tests, be sure to check the box on line 3, Schedule J, Form 1120 (line 1, Part I, Form 1120-A).

Members of a controlled group (Form 1120 only).—A member of a controlled group, as defined in section 1563, must check the box on line 1 and complete lines 2a and 2b of Schedule J, Form 1120.

Members of a controlled group are entitled to one \$50,000 and one \$25,000 taxable income bracket amount (in that order) on line 2a.

When a controlled group adopts or later amends an apportionment plan, each member must attach to its tax return a copy of its consent to this plan. The copy (or an attached statement) must show the part of the amount in each taxable income bracket apportioned to that member. There are other requirements as well. See Regulations section 1.1561-3(b) for the requirements and for the time and manner of making the consent.

Equal apportionment plan. If no apportionment plan is adopted, the members of the controlled group must divide the amount in each taxable income bracket equally among themselves. For example, Controlled Group AB consists of Corporation A and Corporation B. They do not elect an apportionment plan. Therefore, both Corporation A and Corporation B are entitled to \$25,000 (one-half of \$50,000) in the \$50,000 taxable income bracket on line 2a(i) and to \$12,500 (one-half of \$25,000) in the \$25,000 taxable income bracket on line 2a(ii).

Unequal apportionment plan. Members of a controlled group may elect an unequal apportionment plan and divide the taxable income brackets as they wish. There is no need for consistency between taxable income brackets. Any member of the controlled group may be entitled to all, some, or none of the taxable income bracket. However, the total amount for all members of the controlled group cannot be more than the total amount in each taxable income bracket.

Additional 5% tax. Members of a controlled group are treated as one corporation for purposes of figuring the applicability of the additional 5% tax that must be paid by corporations with taxable income in excess of \$100,000. If the additional tax applies, each member of the controlled group will pay that tax based on the part of the amount that is used in each taxable income bracket to reduce that member's tax. See section 1561(a). Each member of the group must enter its share of the additional 5% tax on line 2b and attach to its tax return a schedule that shows the taxable income of the entire group as well as how its share of the additional tax was figured.

Mutual savings bank conducting life insurance business.—The tax under section 594 consists of the sum of (a) a partial tax computed on Form 1120 on the taxable income of the bank determined without regard to income or deductions allocable to the life insurance department, and (b) a partial tax on the taxable income computed on Form 1120L of the life insurance department. Enter the combined tax on line 3 of Schedule J, Form 1120. Attach Form 1120L as a schedule and identify it as such.

Deferred tax amount of a shareholder in a passive foreign investment company (section 1291).—If the corporation was a shareholder in a

passive foreign investment company (PFIC), and the corporation received an excess distribution or disposed of its investment in the PFIC during the year, it must include the aggregate increases in taxes due under section 1291(c)(2) in the amount entered on line 3, Schedule J, Form 1120. On the dotted line next to line 3, Schedule J, write "Section 1291" and the amount.

Do not include on line 3 any interest due under section 1291(c)(3). Instead, write the amount of interest owed in the bottom margin of page 1, Form 1120, and label it "Section 1291 interest." For details, see Form 8821, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund.

Line 4a (Form 1120 only)

Foreign Tax Credit

To find out when a corporation can take the credit for payment of income tax to a foreign country or U.S. possession, see Form 1118, Foreign Tax Credit—Corporations.

Line 4b (Form 1120 only)

Possessions Tax Credit

For rules on how to elect to claim the possessions tax credit (section 936), see Form 5712, Election To Be Treated as a Possessions Corporation Under Section 936. Figure the credit on Form 5735, Possessions Corporation Tax Credit Allowed Under Section 936.

Line 4c (Form 1120 only)

Orphan Drug Credit

To find out when a corporation can take this credit and how it is figured, see section 28 and Form 6765, Credit for Increasing Research Activities (or for claiming the orphan drug credit). Generally, the corporation must reduce its deduction for qualified research or basic research expenses by the amount of any research credit determined under section 41(a). However, this rule does not apply if the corporation elects to take the reduced credit under section 280C(c). See that section for details.

Line 4d (Form 1120 only)

Credit for Fuel Produced From a Nonconventional Source

A credit is allowed for the sale of qualified fuels produced from a nonconventional source. Section 29 contains a definition of qualified fuels, provisions for figuring the credit, and other special rules. Attach a separate schedule to the return showing the computation of the credit.

Also see Form 8827 if any of the 1991 credit was disallowed solely because of the tentative minimum tax limitation. See section 53(d).

Line 4e, Form 1120 (Line 2a, Form 1120-A)

General Business Credit

Complete this line if the corporation can take any of the following credits. If the corporation has two or more of these credits, a credit carryforward or carryback (including an ESOP credit), or a passive activity credit, Form 3800, General Business Credit, must also be completed. Enter the amount of the general business credit on line 4e (line 2a, Form 1120-A), and check the box for Form 3800. If the corporation has only one credit, enter on line 4e (line 2a, Form 1120-A), the amount of the credit from the form. Also be sure to check the appropriate box for that form.

Investment credit. This credit was generally repealed for property placed in service after 1985. See Form 3468, Investment Credit, for exceptions.

Jobs credit. The corporation may qualify to take this credit if it hired members of special targeted groups during the tax year. See Form 5884, Jobs Credit, for more information.

Note: The corporation may not take an expense deduction for the part of the wages or salaries paid or incurred that is equal to the amount of the jobs credit (determined without regard to the limitation based on tax (section 38(c)).

Credit for alcohol used as fuel. A corporation may be able to take a credit for alcohol used as fuel. Use Form 6478, Credit for Alcohol Used as Fuel, to figure the credit.

Credit for increasing research activities. See Form 6765, Credit for Increasing Research Activities, and section 41.

Low-income housing credit. See Form 8586, Low-Income Housing Credit, and section 42.

Enhanced oil recovery credit. A corporation may claim a credit for 15% of its qualified enhanced oil recovery costs. Use Form 8830, Enhanced Oil Recovery Credit, to figure the credit.

Disabled access credit. A corporation may be able to take a credit for certain expenditures paid or incurred to assist individuals with disabilities. See Form 8826, Disabled Access Credit, and section 44.

Line 4f, Form 1120 (Line 2b, Form 1120-A)

Credit for Prior Year Minimum Tax

To figure the minimum tax credit and any carryforward of that credit, use Form 8827, Credit for Prior Year Minimum Tax—Corporations.

Line 7 (Form 1120 only)

Personal Holding Company Tax

A corporation is taxed as a personal holding company under section 542 if:

- At least 60% of its adjusted ordinary gross income for the tax year is personal holding company income, and
- At any time during the last half of the tax year more than 50% in value of its outstanding stock is owned, directly or indirectly, by five or fewer individuals.

See section 543(a) for the definition of personal holding company income and section 543(b)(2) for the definition of adjusted ordinary gross income.

To figure this tax, use Schedule PH (Form 1120), U.S. Personal Holding Company Tax.

Line 8, Form 1120 (Line 5, Form 1120-A)

Recapture Taxes

Recapture of investment credit. If the corporation disposed of investment credit property or changed its use before the end of its useful life or recovery period, it may owe a tax. See Form 4255, Recapture of Investment Credit, for details.

Recapture of low-income housing credit. If the corporation disposed of property (or there was a reduction in the qualified basis of the property) on which it took the low-income housing credit, it may owe a tax. See Form 8611, Recapture of Low-Income Housing Credit, and section 42(j) for details.

Line 9a, Form 1120 (Line 6, Form 1120-A)

Alternative Minimum Tax

The corporation may owe the alternative minimum tax if it has any of the adjustments and tax preference items listed on Form 4626, Alternative Minimum Tax—Corporations. The corporation must file Form 4626 if its taxable income (loss) combined with these adjustments and tax preference items is more than the smaller of:

- \$40,000, or
- The corporation's allowable exemption amount (from Form 4626).

For this purpose, taxable income does not include the NOL deduction. Get Form 4626 for details.

Reduce alternative minimum tax by any amount on Form 3800, Schedule A, line 34. On the dotted line next to line 9a (line 6, Form 1120-A), write "Section 38(c)(2)" and the amount.

Line 9b (Form 1120 only)

Environmental Tax

The corporation may be liable for the environmental tax if the modified alternative minimum taxable income of

the corporation exceeds \$2 million. See Form 4626 for details.

Line 10 (Form 1120 only)

Interest on tax attributable to payments received on installment sales of certain timeshares and residential lots. If the corporation elected to pay interest on the amount of tax attributable to payments received on installment obligations arising from the disposition of certain timeshares and residential lots under section 453(i)(3), it must include the interest due in the amount to be entered on line 10, Schedule J, Form 1120. On the dotted line to the left of line 10, Schedule J, write "Section 453(i)(3) interest" and the amount. Attach a schedule showing the computation.

Interest on tax deferred under the installment method for certain nondealer installment obligations. If an obligation arising from the disposition of property to which section 453A applies is outstanding at the close of the tax year, the corporation must include the interest due under section 453A(c) in the amount on line 10, Schedule J, Form 1120. Write on the dotted line to the left of line 10, Schedule J, "Section 453A(c) interest" and the amount. Attach a schedule showing the computation.

Interest under the look-back method for completed long-term contracts. Include the interest due under the look-back method of section 460(b)(2) on line 10 of Schedule J. On the dotted line to the left of the entry space, write "From Form 8697" and the amount of interest due.

Deferred tax and interest on undistributed earnings of a qualified electing fund under section 1294. Complete Form 8621 to determine the corporation's share of tax attributable to the undistributed earnings of a qualified electing fund, or the deferred tax due, if any, as a result of the termination of a section 1294 election. See the instructions for Form 8621 to figure the amount of tax to include in, or subtract from the total on line 10. Form 8621 also explains how to report any interest due under section 1294 on the deferred tax.

Installment payment of tax attributable to LIFO recapture by corporations making an S corporation election. A corporation making an S corporation election using the LIFO inventory pricing method for its last tax year as a C corporation must include a "LIFO recapture amount" in income for its last year as a C corporation. The corporation's LIFO recapture amount is equal to the excess of the inventory amount using the FIFO method over the inventory amount using the LIFO method at the close of the corporation's last tax year as a C corporation.

The additional tax resulting from inclusion of the LIFO recapture amount

in income is payable in four equal installments. The first installment is due with the return for the electing corporation's last tax year as a C corporation and must be paid by the due date (excluding extensions of time to file).

To determine the additional tax due to LIFO recapture, the corporation must complete lines 1 through 9b of Schedule J based on income that includes the LIFO recapture amount. On a separate worksheet, using the Schedule J format, complete the entire worksheet (lines 1 through 10) based on taxable income not including the LIFO recapture amount. Compare the total of lines 1 through 9b of Schedule J to line 10 of the worksheet. The difference is the additional tax due to LIFO recapture.

Since the total of lines 1 through 9b of Schedule J will include all the additional tax due to LIFO recapture, the amount that may be deferred (¾ of the additional tax) must first be subtracted to arrive at line 10 total tax. On the dotted line to the left of line 10, Schedule J, write "Section 1363(d) deferral" and the amount. Attach a schedule showing the computation.

Note: The remaining three installments of deferred tax must be paid by the due date of Form 1120S for the next 3 tax years. No interest is payable on the deferred tax if paid on time.

Tax on a nonqualified withdrawal from a capital construction fund. If the corporation owes tax under section 7518 on a nonqualified withdrawal from a capital construction fund, include the tax and the interest in the total for line 10. On the dotted line next to line 10, write "CCF" and the amounts of tax and interest. For more information, see Pub. 595, Tax Guide for Commercial Fishermen.

Schedule K, Form 1120 (Part II, Form 1120-A)

Other Information

The following instructions apply to questions 1 through 13 on Form 1120, page 3, Schedule K, or questions 1 through 6 on Form 1120-A, page 2, Part II. Be sure to answer all of the questions that apply to the corporation.

Question 4a (Form 1120 only)

Check the "Yes" box for question 4a if either 1 or 2 below applies to the corporation:

1. The corporation is a subsidiary in an affiliated group (defined below), but is not filing a consolidated return for the tax year with that group.
2. The corporation is a subsidiary in a parent-subsidiary controlled group (defined below).

Any corporation that meets either of the requirements above should check the "Yes" box. This applies even if the corporation is a subsidiary member of one group and the parent corporation of another.

Note: If the corporation is an "excluded member" of a controlled group (see section 1563(b)(2)), it is still considered a member of a controlled group for this purpose.

Affiliated group.—The term "affiliated group" means one or more chains of includible corporations (section 1504(a)) connected through stock ownership with a common parent corporation. The common parent must be an includible corporation and the following requirements must be met:

1. The common parent must own directly stock that represents at least 80% of the total voting power and at least 80% of the total value of the stock of at least one of the other includible corporations.
2. Stock that represents at least 80% of the total voting power, and at least 80% of the total value of the stock of each of the other corporations (except for the common parent) must be owned directly by at least one of the other includible corporations.

For this purpose, the term "stock" generally does not include any stock that (a) is nonvoting, (b) is nonconvertible, (c) is limited and preferred as to dividends and does not participate significantly in corporate growth, and (d) has redemption and liquidation rights that do not exceed the issue price of the stock (except for a reasonable redemption or liquidation premium).

Parent-subsidiary controlled group.—The term "parent-subsidiary controlled group" means one or more chains of corporations connected through stock ownership (section 1563(a)(1)). Both of the following requirements must be met:

1. 80% of the total combined voting power of all classes of stock entitled to vote or at least 80% of the total value of all classes of stock of each corporation in the group (except the parent) must be owned by one or more of the other corporations in the group.
 2. The common parent must own at least 80% of the total combined voting power of all classes of stock entitled to vote or at least 80% of the total value of all classes of stock of at least one of the other corporations in the group. Stock owned directly by other members of the group is not counted when computing the voting power or value.
- See section 1563(d)(1) for the definition of "stock" for purposes of determining stock ownership above.

Question 7, Form 1120 (Question 6, Form 1120-A)

Foreign financial accounts.—Check the "Yes" box if either 1 or 2 below applies to the corporation. Otherwise, check the "No" box:

1. At any time during the 1992 calendar year the corporation had an interest in or signature or other authority over a bank, securities, or other financial account in a foreign country; and
 - The combined value of the accounts was more than \$10,000 at any time during the calendar year, and
 - The account was NOT with a U.S. military banking facility operated by a U.S. financial institution.
2. The corporation owns more than 50% of the stock in any corporation that would answer "Yes" to item 1 above.

Get Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts, to see if the corporation is considered to have an interest in or signature or other authority over a financial account in a foreign country.

If "Yes" is checked for this question, file Form TD F 90-22.1 by June 30, 1993, with the Department of the Treasury at the address shown on the form. Form TD F 90-22.1 is not a tax return, so do not file it with Form 1120.

You can get Form TD F 90-22.1 from an IRS Distribution Center or by calling our toll-free number 1-800-TAX-FORM (1-800-829-3676).

Also, if "Yes" is checked for this question, write the name of the foreign country or countries. Attach a separate sheet if more space is needed.

Question 9 (Form 1120 only)

Check the "Yes" box if one foreign person owned at least 25% of (a) the total voting power of all classes of stock of the corporation entitled to vote or (b) the total value of all classes of stock of the corporation.

Enter on line 9a the percentage owned by the foreign person specified in question 9. On line 9b, write the name of the owner's country.

Note: If there is more than one 25%-or-more foreign owner, complete lines 9a and 9b for the foreign person with the highest percentage of ownership.

Foreign person.—The term "foreign person" means:

- A foreign citizen or nonresident alien,
- A foreign partnership,
- A foreign corporation, or
- Any foreign estate or trust within the meaning of section 7701(a)(31).

Owner's country.—For individuals, the term "owner's country," means the country of residence. For all others, it is the country where incorporated, organized, created, or administered.

Requirement to file Form 5472.—If the corporation checked "Yes" to Question 9, it may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Generally, a 25% foreign-owned corporation that had a reportable transaction with a foreign or domestic related party during the tax year must file Form 5472. Form 5472 must be filed by the due date of the corporation's income tax return (including extensions). Attach Form 5472 to the tax return and file a copy of Form 5472 with the Internal Revenue Service Center, Philadelphia, PA 19255.

If the corporation's tax return is not filed when due, Form 5472 must nevertheless be timely filed at the service center where the tax return is due (with a copy to Philadelphia). When the tax return is filed, attach a copy of the previously filed Form 5472.

Penalties for failure to file Form 5472. If a corporation doesn't file Form 5472 as described above, a \$10,000 penalty applies. The penalty also applies for failure to maintain records as required by Regulations section 1.6038A-3. For details, see Form 5472.

Question 11, Form 1120 (Question 3, Form 1120-A)

In the space provided, show any tax-exempt interest received or accrued. Include any exempt-interest dividends received as a shareholder in a mutual fund or other regulated investment company.

Question 13 (Form 1120 only)

Check the box on line 13 if the corporation elects under section 172(b)(3) to forgo the carryback period for an NOL. If you check this box, do not attach the statement described in Regulations section 7.0(d).

Schedule L, Form 1120 (Part III, Form 1120-A)

Balance Sheets

Line 5

Tax-Exempt Securities

Include on this line:

1. State and local government obligations, the interest on which is excludable from gross income under section 103(a), and
2. Stock in a mutual fund or other regulated investment company that distributed exempt-interest dividends during the tax year of the corporation.

Schedule M-1, Form 1120 (Part IV, Form 1120-A)

Reconciliation of income per Books With Income per Return

Line 5c, Form 1120 (Line 5, Form 1120-A)

Travel and Entertainment

Include on line 5c (line 5, Form 1120-A) any of the following:

- 20% of the meals and entertainment not allowed under section 274(n).
- Expenses for the use of an entertainment facility.
- The part of business gifts over \$25.
- Expenses of an individual in excess of \$2,000, which are allocable to conventions on cruise ships.
- Employee achievement awards over \$400.
- The cost of entertainment tickets over face value (also subject to 20% disallowance under section 274(n)).
- The cost of skyboxes over the face value of nonluxury box seat tickets.
- The part of luxury water travel not allowed under section 274(m).
- Expenses for travel as a form of education.
- Other travel and entertainment expenses not allowed as a deduction.

Line 7, Form 1120 (Line 6, Form 1120-A)

Tax-Exempt Interest

Include as interest on line 7 (line 6, Form 1120-A), any exempt-interest dividends received as a shareholder in a mutual fund or other regulated investment company.

Codes for Principal Business Activity

These codes for the Principal Business Activity are designed to classify enterprises by the type of activity in which they are engaged to facilitate the administration of the Internal Revenue Code. Though similar in format and structure to the Standard Industrial Classification (SIC) codes, they should not be used as SIC codes.

Using the list below, enter on Form 1120, Schedule K, line 2a (Form 1120-A, Part II, line 1a) the code number for the specific industry group from which the largest percentage of "total receipts" is derived. "Total receipts" means gross receipts (line 1a, page 1) plus all other income (lines 4 through 10, page 1).

On Form 1120, Schedule K, lines 2b and 2c (Form 1120-A, Part II, lines 1b and 1c), state the principal business activity and principal product or service that account for the largest percentage of total receipts. For example, if the principal business activity is "Grain mill products," the principal product or service may be "Cereal preparations."

If, as its principal business activity, the corporation: (1) purchases raw materials, (2) subcontracts out for labor to make a finished product from the raw materials, and (3) retains title to the goods, the corporation is considered to be a manufacturer and must enter one of the codes (2010-3998) under "Manufacturing."

Agriculture, Forestry, and Fishing

Code
0400 Agricultural production
0600 Agricultural services (except veterinarians), forestry, fishing, hunting, and trapping

Mining

Code
1070 Copper, lead and zinc, gold and silver ores
1098 Other metal mining
1150 Coal mining
Oil and gas extraction

1330 Crude petroleum, natural gas, and natural gas liquids
1380 Oil and gas field services
Nonmetallic minerals, except fuels
1430 Dimension, crushed and broken stone, sand and gravel
1498 Other nonmetallic minerals, except fuels

Construction

General building contractors and operative builders
1510 General building contractors
1531 Operative builders
1600 Heavy construction contractors

Special trade contractors
1711 Plumbing, heating, and air conditioning
1731 Electrical work
1798 Other special trade contractors

Manufacturing

Food and kindred products
2010 Meat products
2020 Dairy products
2030 Preserved fruits and vegetables
2040 Grain mill products
2050 Bakery products

2060 Sugar and confectionary products
2081 Malt liquors and malt
2088 Alcoholic beverages, except malt liquors and malt
2089 Bottled soft drinks, and flavored
2096 Other food and kindred products
2100 Tobacco manufacturers

Textile mill products
2228 Weaving mills and textile finishing
2250 Knitting mills
2298 Other textile mill products

Apparel and other textile products
2315 Men's and boys' clothing
2345 Women's and children's clothing
2388 Other apparel and accessories
2390 Miscellaneous fabricated textile products

Lumber and wood products
2415 Logging, sawmills, and planing mills
2430 Millwork, plywood, and related products
2498 Other wood products, including wood buildings and mobile homes
2500 Furniture and fixtures

Code

Paper and allied products
2625 Pulp, paper, and board mills
2699 Other paper products
Printing and publishing
2710 Newspapers
2720 Periodicals

2735 Books, greeting cards, and miscellaneous publishing
2799 Commercial and other printing, and printing trade services

Chemicals and allied products
2815 Industrial chemicals, plastics materials, and synthetics
2830 Drugs
2840 Soap, cleaners, and toilet goods
2850 Paints and allied products
2898 Agricultural and other chemical products

Petroleum refining and related industries (including those integrated with extraction)
2910 Petroleum refining (including integrated)

2938 Other petroleum and coal products
Rubber and misc. plastics products
3050 Rubber products, plastics footwear, hose and belting
3070 Misc. plastics products

Leather and leather products
3140 Footwear, except rubber
3198 Other leather and leather products
Stone, clay, and glass products
3225 Glass products
3240 Cement, hydraulic
3270 Concrete, gypsum, and plaster products

3298 Other nonmetallic mineral products
Primary metal industries
3370 Ferrous metal industries: misc. primary metal products
3380 Nonferrous metal industries

Fabricated metal products
3410 Metal cans and shipping containers
3428 Cutlery, hand tools, and hand-welding, screw machine products, bolts, and similar products
3430 Plumbing and heating, except electric and warm air

3440 Fabricated structural metal products
3460 Metal forgings and stampings
3470 Coating, engraving, and allied services
3480 Ordnance and accessories, except vehicles and guided missiles

3490 Misc. fabricated metal products
Machinery, except electrical
3500 Farm machinery
3530 Construction and related machinery

3540 Metalworking machinery
3550 Special industry machinery
3560 General industrial machinery
3570 Office, computing, and accounting machines
3598 Other machinery except electrical

Code
Electrical and electronic equipment
3630 Household appliances
3665 Radio, television, and communication equipment
3670 Electronic components and accessories

3698 Other electrical equipment
3710 Motor vehicles and equipment
Transportation equipment, except motor vehicles

3725 Aircraft, guided missiles and parts
3730 Ship and boat building and repairing
3798 Other transportation equipment, except motor vehicles

Instruments and related products
3815 Scientific instruments and measuring devices, watches and clocks
3845 Optical, medical, and ophthalmic goods
3860 Photographic equipment and supplies

3998 Other manufacturing products

Transportation and Public Utilities

Transportation
4000 Railroad transportation
4100 Local and interurban passenger transit
4200 Trucking and warehousing
4400 Water transportation
4500 Transportation by air
4600 Pipe lines, except natural gas
4700 Miscellaneous transportation services

Communication
4825 Telephone, telegraph, and other communication services
4830 Radio and television broadcasting

Electric, gas, and sanitary services
4825 Telephone, telegraph, and other communication services
4830 Radio and television broadcasting

4920 Gas production and distribution
4930 Combination utility services
4990 Water supply and other sanitary services

Wholesale Trade
5008 Machinery, equipment, and supplies
5010 Motor vehicles and automotive equipment
5020 Furniture and home furnishings
5030 Lumber and construction materials

5040 Sporting, recreational, photographic, and hobby goods, toys and supplies
5050 Metals and minerals, except petroleum and scrap
5060 Electrical goods
5070 Hardware, plumbing and heating equipment and supplies

5098 Other durable goods
Non-durable
5110 Paper and paper products
5129 Drugs, drug preparations, and druggists' supplies

5130 Apparel, piece goods, and notions
5140 Groceries and related products
5150 Farm-product raw materials
5160 Chemicals and allied products
5170 Petroleum and petroleum products
5180 Alcoholic beverages
5190 Misc. nondurable goods

Retail Trade
Building materials, garden supplies, and mobile home dealers
5220 Building materials dealers
5251 Hardware stores
5265 Garden supplies and mobile home dealers

5300 General merchandise stores
Food stores
5410 Grocery stores
5490 Other food stores
Automotive dealers and service stations

5515 Motor vehicle dealers
5541 Gasoline service stations
5598 Other automotive dealers
5600 Apparel and accessory stores
5700 Furniture and home furnishings stores

Code
5800 Eating and drinking places
Misc. retail stores
5912 Drug stores and proprietary stores
5921 Liquor stores
5995 Other retail stores

Finance, insurance, and Real Estate
Banking
6030 Mutual savings banks
6060 Bank holding companies
6090 Banks, except mutual savings banks and bank holding companies

Credit agencies other than banks
6120 Savings and loan associations
6140 Personal credit institutions
6150 Business credit institutions
6199 Other credit agencies

Security, commodity brokers and services
6210 Security brokers, dealers, and flotation companies
6299 Commodity contracts brokers and dealers, security and commodity exchanges, and allied services

Insurance
6355 Life insurance
6356 Mutual insurance, except life or marine and certain fire or flood insurance companies
6359 Other insurance companies
6411 Insurance agents, brokers, and service

Real estate
6511 Real estate operators and lessors of buildings
6516 Lessors of mining, oil and similar property
6518 Lessors of railroad property and other real property

6530 Cooperative management and cooperative housing associations
6550 Subdividers and developers
6599 Other real estate

Holding and other investment companies, except bank holding companies
6744 Small business investment companies
6749 Other holding and investment companies, except bank holding companies

Services
7000 Hotels and other lodging places
7200 Personal services
Business services
7310 Advertising
7389 Business services, except advertising

Auto repair; misc. repair services
7500 Auto repair and services
7600 Misc. repair services
Amusement and recreation services
7812 Motion picture production, distribution, and services

7830 Motion picture theaters
7900 Amusement and recreation services, except motion pictures
Other services
8015 Offices of physicians, including osteopathic physicians
8021 Offices of dentists
8040 Offices of other health practitioners

8050 Nursing and personal care facilities
8060 Hospitals
8071 Medical laboratories
8099 Other medical services
8111 Legal services
8200 Educational services
8300 Social services

8600 Membership organizations
8911 Architectural and engineering services
8930 Accounting, auditing, and bookkeeping
8980 Miscellaneous services (including veterinarians)

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**SCHEDULE D
(Form 1120)**

Capital Gains and Losses

OMB No. 1545-0123

To be filed with Forms 1120, 1120-A, 1120-DF, 1120-IC-DISC, 1120F, 1120-FSC, 1120-H, 1120L, 1120-ND, 1120-PC, 1120-POL, 1120-REIT, 1120-RIC, 990-C, and certain Forms 990-T

1992

Department of the Treasury
Internal Revenue Service

Employer Identification Number

Part I Short-Term Capital Gains and Losses—Assets Held 1 Year or Less

(a) Kind of property and description (Example, 100 shares of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Cost or other basis, plus expense of sale	(f) Gain or (loss) ((d) less (e))
1					
2					2
3					3
4					4
5					5

Part II Long-Term Capital Gains and Losses—Assets Held More Than 1 Year

6					
7	Enter gain from Form 4797, line 8 or 10.				7
8	Long-term capital gain from installment sales from Form 6252, line 26 or 37				8
9	Long-term gain or (loss) from like-kind exchanges from Form 8824				9
10	Net long-term capital gain or (loss). (Combine lines 6 through 9.)				10

Part III Summary of Parts I and II

11	Enter excess of net short-term capital gain (line 5) over net long-term capital loss (line 10).				11
12	Net capital gain. Enter excess of net long-term capital gain (line 10) over net short-term capital loss (line 5).				12
13	Add lines 11 and 12. Enter here and on Form 1120, page 1, line 8, or the proper line on other returns. Note: If losses exceed gains, see instructions on capital losses for explanation of capital loss carrybacks.				13

Instructions

(Section references are to the Internal Revenue Code.)

Purpose of Schedule

Schedule D is used to report sales and exchanges of capital assets for tax years beginning in 1992.

Sales or exchanges of property other than capital assets are reported on Form 4797, Sales of Business Property. A sale or exchange of property includes property used in a trade or business; involuntary conversions (other than casualties or thefts); gain from the disposition of oil, gas, or geothermal property; and the section 291 adjustment to section 1250 gains. See the instructions for Form 4797 for more information.

If property is involuntarily converted because of a casualty or theft, use Form 4684, Casualties and Thefts.

Parts I and II

Generally, a corporation must report sales and exchanges even though there is no gain or loss. No loss is allowed for a wash sale of stock or securities (including contracts or options to acquire or sell stock or securities) or from a transaction between related persons. See sections 1091 and 267 for details and exceptions.

Use Part I to report the sale or exchange of capital assets held 1 year or less. Use Part II to report the sale or exchange of capital assets held more than 1 year.

What is a Capital Asset?—Each item of property the corporation held (whether or not connected with its trade or business) is a capital asset except:

- Assets that can be inventoried or property held mainly for sale to customers.

- Depreciable or real property used in the trade or business.

- Certain copyrights; literary, musical, or artistic compositions; letters or memorandums; or similar property.

- Accounts or notes receivable acquired in the ordinary course of trade or business for services rendered or from the sale of property described in 1 above.

- A U.S. Government publication (including the Congressional Record) received from the Government or any of its agencies in a manner other than buying it at the price offered for public sale, which is held by a taxpayer who received the publication or by a second taxpayer in whose hands the basis of the publication is determined, for purposes of determining gain from a sale or exchange, by referring to its basis in the hands of the first taxpayer.

Schedule D (Form 1120) 1992

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Exchange of like-kind property.—A like-kind exchange occurs when the corporation exchanges business or investment property for property of a like kind. Complete and attach to the tax return Form 8824, Like-Kind Exchanges, for each exchange.

For exchanges of capital assets, enter the gain or loss from Form 8824, if any, on line 3 or line 9 in column (f). If an exchange was made with a related party, write "Related Party Like-Kind Exchange" at the top of Schedule D. See Form 8824 and its instructions for details.

Capital losses.—Capital losses are allowed only to the extent of capital gains. A net capital loss may be carried back 3 years and forward 5 years as a short-term capital loss. Carry back a capital loss to the extent it does not increase or produce a net operating loss in the tax year to which it is carried. Foreign expropriation capital losses may not be carried back, but may be carried forward 10 years. A net capital loss for a regulated investment company may be carried forward 8 years.

Special Rules for the Treatment of Certain Gains and Losses

Note: For more information, get Pub. 544, Sales and Other Dispositions of Assets, and Pub. 542, Tax Information on Corporations.

• **At-risk limitations (section 465).**—If the corporation sold or exchanged a capital asset used in an activity to which the at-risk rules apply, combine the gain or loss on the sale or exchange with the profit or loss from the activity. If the result is a net loss, complete Form 6198, At-Risk Limitations. Report any gain from the capital asset on Schedule D and on Form 6198.

• **Gains and losses from passive activities.**—A closely held or personal service corporation that has a gain or loss that relates to a passive activity (section 469) may be required to complete Form 8810, Corporate Passive Activity Loss and Credit Limitations, before completing Schedule D. A Schedule D loss may be limited under the passive activity rules. See Form 8810 for more detailed information.

• **Gain on distributions of appreciated property.**—Generally, gain (but not loss) is recognized on a nonliquidating distribution of appreciated property to the extent that the property's fair market value exceeds its adjusted basis. See section 311 for more information.

• **Gain or loss on distribution of property in complete liquidation.**—Generally, gain or loss is recognized on property distributed in a complete

liquidation. Treat the property as if it had been sold at its fair market value. An exception to this rule applies for liquidations of certain subsidiaries. See sections 336 and 337 for more information and other exceptions to the general rules.

• **Gains and losses on section 1256 contracts and straddles.**—Use Form 6781, Gains and Losses From Section 1256 Contracts and Straddles, to report these gains and losses.

• **Gain or loss on certain short-term Federal, state, and municipal obligations.**—Such obligations are treated as capital assets in determining gain or loss. On any gain realized, a portion is treated as ordinary income and the balance as a short-term capital gain. See section 1271.

• **Gain from installment sales.**—Use Form 6252, Installment Sales Income, to report a gain from the casual sale of real or personal property (other than inventory) if payments will be received in more than 1 tax year. See the instructions below for how to elect out of the installment method. Also use Form 6252 if a payment is received this year from a sale made in an earlier year on the installment method.

To elect out of the installment method, report the following on Schedule D with a timely filed return (including extensions):

- The full amount of the sale.
- If the corporation received a note or other obligation and is reporting it at less than face value (including all contingent obligations), state that fact in the margin and give the percentage of valuation.

The installment method may not be used for sales of stock or securities (or certain other property described in the regulations) traded on an established securities market. See section 453(k).

• **Gain or loss on an option to buy or sell property.**—See sections 1032 and 1234 for the rules that apply to a purchaser or grantor of an option.

• **Gain or loss from a short sale of property.**—Report the gain or loss to the extent that the property used to close the short sale is considered a capital asset in the hands of the taxpayer.

• **Gains and losses of foreign corporations from the disposition of investment in U.S. real property.**—Foreign corporations are required to report gains and losses from the disposition of U.S. real property interests. See section 897 for details.

• **Gains on certain insurance property.**—Form 1120L filers with gains on property held on December 31, 1958, and certain substituted property acquired after 1958 should see section 818(c).

• **Gain or loss from shares purchased in a regulated investment company (RIC).**—In some cases, the load charge (advance charge for sales fees) incurred to purchase shares in a RIC may not be allowed when figuring the basis for gain or loss on the disposition of the shares. See section 852(f) if the shares were disposed of within 90 days of purchase, and the load charge on stock subsequently acquired in that RIC (or another RIC) was reduced because of a reinvestment right.

• **Loss from the sale or exchange of capital assets of an insurance company taxable under section 831.**—Under the provisions of section 834(c)(6), capital losses of a casualty insurance company are deductible to the extent that the assets were sold to meet abnormal insurance losses or to provide for the payment of dividend and similar distributions to policyholders.

• **Loss from securities that are capital assets that become worthless during the year.**—Except for securities held by a bank, treat the loss as a capital loss as of the last day of the tax year. (See section 582 for the rules on the treatment of securities held by a bank.)

• **Disposition of market discount bonds.**—See section 1276 for rules on the disposition of any market discount bonds issued after July 18, 1984.

• **Capital gain distributions.**—Report capital gain distributions paid by mutual funds as long-term capital gains on line 6 regardless of how long the corporation owned stock in the fund.

Determining the Cost or Other Basis of Property

In determining gain or loss, the basis of property will generally be its cost. See section 1012 and the related regulations. Exceptions to the general rule are provided in sections in subchapters C, K, O, and P of the Code. For example, if the corporation acquired the property by dividend, liquidation of a corporation, transfer from a shareholder, reorganization, bequest, contribution or gift, tax-free exchange, involuntary conversion, certain asset acquisitions, or wash sale of stock, see sections 301 (or 1059), 334, 362 (or 358), 1014, 1015, 1031, 1033, 1060, and 1091, respectively. Attach an explanation if the corporation uses a basis other than actual cash cost of the property.

If the corporation is allowed a charitable contribution deduction because it sold property to a charitable organization, figure the adjusted basis for determining gain from the sale by dividing the amount realized by the fair market value and multiplying that result by the adjusted basis.

Corporation Returns/1992 • Forms and Instructions

1120F

U.S. Income Tax Return of a Foreign Corporation

OMB No. 1545-0126

Form Department of the Treasury Internal Revenue Service

For calendar year 1992, or tax year beginning 1992, and ending 1992, and ending 1992

1992

Name, Employer identification number, Number, street, and room or suite no., City or town, state and ZIP code, or country, Check applicable boxes: initial return, amended return, final return, change of address

A Country of incorporation, B Foreign country under whose laws the income reported on this return is subject to tax, C Date incorporated, D The corporation's books and records are maintained by, E If the corporation had an agent in the United States at any time during the tax year, enter: Kind of agent, Name, Address, F Refer to the list on the last page of the instructions and state the corporation's principal: (1) Business activity code number, (2) Business activity, (3) Product or service

G Check method of accounting: (1) Cash, (2) Accrual, (3) Other (specify), H Did the corporation file a U.S. income tax return for the preceding tax year?, I Was the corporation at any time during the tax year engaged in a trade or business in the United States?, J Did the corporation at any time during the tax year have a permanent establishment in the United States for purposes of applying section 894(b) and any applicable tax treaty between the United States and a foreign country?, K Is the corporation a foreign personal holding company?, L Did the corporation have any transactions with related parties?

Computation of Tax Due or Overpayment

Table with 10 rows for tax computation: 1 Tax from Section I, 2 Tax from Section II, 3 Tax from Section III, 4 Personal holding company tax, 5 Total tax, 6 Payments (a-e), 7 Estimated tax penalty, 8 Tax due, 9 Overpayment, 10 Enter amount of line 9 you want: Credited to 1993 estimated tax, Refunded

Please Sign Here: Signature of officer, Date, Title, Preparer's signature, Date, Check if self-employed, Preparer's social security number, Firm's name, E.I. No., ZIP code

Form 1120F (1992)

Page 2

SECTION I—Certain Gains, Profits, and Income From U.S. Sources That Are NOT Effectively Connected With the Conduct of a Trade or Business in the United States (see instructions)

If you are required to complete Section II or are using Form 1120F as a claim for refund of tax withheld at source, include below ALL income from U.S. sources that is NOT effectively connected with the conduct of a trade or business in the United States. Otherwise, include only those items of income on which the U.S. income tax was not fully paid at the source. The rate of tax on each item of gross income — no deductions are allowed against these types of income — listed below is 30% (4% for the gross transportation tax) or such lower rate specified by tax treaty. Fill in treaty rates where applicable. If the corporation claimed a lower treaty rate, also complete Item U, page 5.

Table with 5 columns: (a) Nature of income, (b) Gross income, (c) Rate of tax (%), (d) Amount of tax, (e) Amount of U.S. income tax paid or withheld at the source. Rows include Interest, Dividends, Rents, Royalties, Annuities, Gains from disposal of timber, coal, or domestic iron ore, Gains from sale or exchange of patents, copyrights, etc., Fiduciary distributions, Gross transportation income, Other fixed or determinable annual or periodic gains, profits, and income, 11 Total, 12 Total.

Additional Information Required (continued from page 1)

M Is the corporation a personal holding company?, N Is the corporation a controlled foreign corporation?, O Is the corporation a personal service corporation?, P Enter tax-exempt interest received or accrued during the tax year, Q Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a U.S. corporation?, R If the corporation has an NOL for the tax year and is electing under section 172(b)(3) to forego the carryback period, check here, S Did any individual, partnership, corporation, estate, or trust at the end of the tax year own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) If "Yes," complete the following: (1) Is the corporation a subsidiary in a parent-subsidiary controlled group?, (2) Enter the name and identifying number of the parent corporation or other entity with more than 50% ownership, (3) Enter percentage owned

SECTION II.—Income Effectively Connected With the Conduct of a Trade or Business in the United States (see instructions)

Form 1120F (1992) Schedule C Dividends and Special Deductions. Includes lines 1a-31 for income and deductions.

Schedule A Cost of Goods Sold (see instructions)

Schedule A Cost of Goods Sold. Includes lines 1-9 for inventory and cost of goods sold.

SECTION II (continued) Schedule C Dividends and Special Deductions (see instructions)

Table with columns (a) Dividends received, (b) %, and (c) Special deductions: (a) x (b). Includes lines 1-15 for dividend reporting.

Schedule E Compensation of Officers (See instructions for line 12, page 3.) Complete Schedule E only if your total receipts (line 1a plus lines 4 through 10 of Section II, page 3) are \$500,000 or more.

Schedule E Compensation of Officers table with columns (a) Name of officer, (b) Social security number, (c) Percent of time devoted to business, (d) Common, (e) Preferred, and (f) Amount of compensation.

Schedule J Tax Computation (see instructions)

Schedule J Tax Computation. Includes lines 1-9 for tax calculations and credits.

SECTION III.—Branch Profits Tax and Tax on Excess Interest (see instructions)

Part I—Branch Profits Tax

1	Enter the amount from line 29, Section II, page 3	1	
2	Enter total amount of adjustments to arrive at effectively connected earnings and profits. See instructions for types of adjustments as well as exceptions for certain types of income included in effectively connected taxable income but not taken into account when computing effectively connected earnings and profits, and the treatment of deductions apportioned to that income. Attach a schedule showing the nature and amount of these adjustments.	2	
3	Effectively connected earnings and profits. Combine line 1 and line 2 and enter the result here. Attach a historical summary (see instructions for reporting requirements). If you are a foreign insurance company, see the regulations under section 884 for a special rule for the computation of effectively connected earnings and profits. If the special rule applies, attach a schedule showing the computation.	3	
4a	Enter U.S. net equity at the end of the current tax year and attach schedule (see instructions)	4a	
b	Enter U.S. net equity at the end of the prior tax year and attach schedule (see instructions)	4b	
c	Increase in U.S. net equity. If line 4a is greater than or equal to line 4b, subtract line 4b from line 4a. Enter the result here and skip to line 4e.	4c	
d	Decrease in U.S. net equity. If line 4b is greater than line 4a, subtract line 4a from line 4b and enter the result here.	4d	
e	Non-previously taxed accumulated effectively connected earnings and profits. Enter excess, if any, of effectively connected earnings and profits for preceding tax years beginning after 1986 over any dividend equivalent amounts for those tax years.	4e	
5	Dividend equivalent amount. If an amount is entered on line 4c, subtract that amount from line 3 and enter the result here. Enter -0- if the result is equal to or less than zero. If no increase is entered on line 4c, add the lesser of line 4d or line 4e to line 3 and enter the total here. Attach a historical summary of dividend equivalent amounts for each tax year beginning after 1986.	5	
6	Branch profits tax. Multiply the amount on line 5 by 30% (or lower treaty rate if the corporation is a qualified resident or otherwise qualifies for treaty benefits). Enter here and include on line 3, page 1. See instructions for: the requirements for qualification for treaty benefits; the definition of qualified resident; and special rules for foreign corporations that have completely terminated their U.S. trade or business during the tax year. If treaty benefits apply, attach a statement explaining why the corporation is a qualified resident or otherwise qualifies for treaty benefits and describe the benefits that apply. Also complete item U below.	6	

Part II—Computation of Tax on Excess Interest

7	Enter the interest allowable as a deduction under Regulations section 1.882-5 (line 18, Section II, page 3)	7	
8	Enter the interest paid by the foreign corporation's U.S. trade or business (other than nondeductible interest). (See instructions for definition.) If the interest paid by the foreign corporation's U.S. trade or business was increased because 80% or more of the foreign corporation's assets are U.S. assets, check this box <input type="checkbox"/>	8	
9a	Excess interest. Subtract line 8 from line 7. Enter -0- if the result is equal to or less than zero	9a	
b	If the foreign corporation is a bank, enter the amount of excess interest treated as interest on deposits. Otherwise, enter -0-	9b	
c	Subtract line 9b from line 9a	9c	
10	Tax on excess interest. Multiply line 9c by 30% or lower treaty rate (if the corporation is a qualified resident or otherwise qualifies for treaty benefits). Enter here and include on line 3, page 1. (If treaty rate applies, attach a statement explaining why the corporation is a qualified resident or otherwise qualifies for treaty benefits.) Also complete item U below.	10	

Additional Information Required (continued from page 2)

T	Is the corporation claiming a reduction in, or exemption from, the branch profits tax due to a complete termination of all U.S. trades or businesses, the tax-free liquidation or reorganization of a foreign corporation, or the tax-free incorporation of a U.S. trade or business?	Yes	No
U	Is the corporation taking a position on this return that a U.S. tax treaty overrules or modifies an Internal Revenue law of the United States thereby causing a reduction of tax? If "Yes," enter the treaty country _____ and article(s) _____ Attach the statement required by Regulations section 301.6114-1(d) and write "Section 6114 Treaty Position Taken" across the top margin of page 1 of the form.		

Note: Failure to disclose a treaty-based return position may result in a penalty of \$10,000 (see section 6712).

Additional schedules to be completed with respect to Section II or Section III (see instructions)

Schedule L—Balance Sheets	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
ASSETS				
1	Cash			
2a	Trade notes and accounts receivable			
b	Less allowance for bad debts			
3	Inventories			
4	U.S. government obligations			
5	Tax-exempt securities (see instructions)			
6	Other current assets (attach schedule)			
7	Loans to stockholders			
8	Mortgage and real estate loans			
9	Other investments (attach schedule)			
10a	Buildings and other fixed depreciable assets			
b	Less accumulated depreciation			
11a	Depletable assets			
b	Less accumulated depletion			
12	Land (net of any amortization)			
13a	Intangible assets (amortizable only)			
b	Less accumulated amortization			
14	Other assets (attach schedule)			
15	Total assets			
LIABILITIES AND STOCKHOLDERS' EQUITY				
16	Accounts payable			
17	Mtgs., notes, bonds payable in less than 1 year			
18	Other current liabilities (attach schedule)			
19	Loans from stockholders			
20	Mtgs., notes, bonds payable in 1 year or more			
21	Other liabilities (attach schedule)			
22	Capital stock: a Preferred stock			
b	Common stock			
23	Paid-in or capital surplus			
24	Retained earnings—Appropriated (attach schedule)			
25	Retained earnings—Unappropriated			
26	Less cost of treasury stock			
27	Total liabilities and stockholders' equity			

Schedule M-1 Reconciliation of Income or (Loss) per Books With Income per Return (You are not required to complete this schedule if the total assets (line 15, column (d), above) are less than \$25,000.)

1	Net income (loss) per books	7	Income recorded on books this year not included on this return (itemize):
2	Federal income tax	a	Tax-exempt interest \$
3	Excess of capital losses over capital gains	8	Deductions on this return not charged against book income this year (itemize):
4	Income subject to tax not recorded on books this year (itemize):	a	Depreciation \$
5	Expenses recorded on books this year not deducted on this return (itemize):	b	Contributions carryover \$
a	Depreciation \$	9	Add lines 7 and 8
b	Contributions carryover \$	10	Income (line 29, page 3)—line 6 less line 9
c	Travel and entertainment \$		
6	Add lines 1 through 5		

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (line 25 above) (You are not required to complete this schedule if the total assets (line 15, column (d), above) are less than \$25,000.)

1	Balance at beginning of year	5	Distributions: a Cash
2	Net income (loss) per books	b	Stock
3	Other increases (itemize):	c	Property
		6	Other decreases (itemize):
		7	Add lines 5a through 6
4	Add lines 1, 2, and 3	8	Balance at end of year (line 4 less line 7)

1992



Department of the Treasury
Internal Revenue Service

Instructions for Form 1120F

U.S. Income Tax Return of a Foreign Corporation

(Section references are to the Internal Revenue Code unless otherwise noted.)

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping	103 hr., 47 min.
Learning about the law or the form	38 hr., 53 min.
Preparing the form	66 hr., 29 min.
Copying, assembling, and sending the form to the IRS	6 hr., 58 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. You can write to both the Internal Revenue Service, Washington, DC 20224, Attention: IRS Reports Clearance Officer, T:FP; and the Office of Management and Budget, Paperwork Reduction Project (1545-0126), Washington, DC 20503. DO NOT send the tax form to either of these offices. Instead, see General Instruction D for information on where to file it.

A Change To Note

The Energy Policy Act of 1992 made several changes that affect foreign corporations engaged in a U.S. trade or business. Some of the changes are highlighted below. These changes affect fiscal year 1992-93 filers. Calendar year filers are not impacted until 1993.

• **Deduction for clean-fuel vehicles and certain refueling property.**—New section 179A allows a deduction for part of the cost of qualified clean-fuel vehicle property and qualified clean-fuel vehicle refueling property placed in service after June 30, 1993.

For more details, see section 179A.

• **Qualified electric vehicle credit.**—New section 30 provides a credit equal to 10% of the cost of a qualified new electric vehicle, or \$4,000, whichever is less, for each vehicle placed in service after June 30, 1993. Vehicles qualifying for this credit are not eligible for the deduction for clean fuel vehicles under section 179A. Get Form 8834, Qualified Electric Vehicle Credit, for more details.

• **Renewable electricity production credit.**—New section 45 provides a credit equal to 1.5 cents per kilowatt hour for electricity produced by the corporation using closed-loop biomass and sold to an unrelated person. The facility from which the electricity is produced must have been originally placed in service after 1992. Get Form 8835, Renewable Electricity Production Credit, for more details.

General Instructions

A. Purpose of Form

Form 1120F is used to report a foreign corporation's income, gains, losses, deductions, and credits, and to figure its income tax liability. If a refund is due, Form 1120F may be used to claim it.

B. Who Must File

Except for corporations described in Who Does Not File Form 1120F below, every foreign corporation must file this form if, during the tax year, it:

- Overpaid income tax that it wants refunded.
 - Engaged in a trade or business in the United States, whether or not it had income from that trade or business.
 - Had income, gains, or losses treated as if they were effectively connected with that U.S. trade or business (see the instructions for Section II on page 7 for definition of "effectively connected income").
 - Had income from any U.S. source (even if its income is tax exempt under an income tax treaty or code section).
- Note: If the corporation does not owe any tax on Form 1120F because it is claiming a treaty exemption, it must still file Form 1120F to show that the income was exempted by treaty. In order to show this exemption, complete the identifying information at the top of page 1 of the form and complete item U at the bottom of page 5 of the form.

If the foreign corporation does not owe the branch profits tax or the tax on excess interest because it is claiming a treaty exemption, complete item U and attach a statement explaining why the corporation is a qualified resident or otherwise qualifies for treaty benefits. Note that an exemption from tax under Section II based on the permanent establishment article of an income tax treaty does not necessarily exempt the corporation from the branch profits tax.

A Mexican or Canadian branch of a U.S. mutual life insurance company must file Form 1120F on the same basis as a foreign corporation if the U.S. company elects to

exclude the branch's income and expenses from its own gross income.

A receiver, assignee, or trustee in dissolution or bankruptcy must file Form 1120F if that person has or holds title to virtually all of a foreign corporation's property or business. Form 1120F is due whether or not the property or business is being operated.

An agent in the United States must file the return if the foreign corporation has no office or place of business in the United States when the return is due.

Consolidated returns.—A foreign corporation cannot belong to an affiliated group of corporations that files a consolidated return unless it is a Canadian or Mexican corporation maintained solely for the purpose of complying with the laws of Canada or Mexico as to title and operation of property.

Who Does Not File Form 1120F.—A foreign corporation does not need to file Form 1120F in any of the following cases:

- Its only income is of a type that is not subject to U.S. taxation under section 881(d).
- It is a beneficiary of an estate or trust engaged in a U.S. trade or business, but would itself otherwise not need to file.
- It files Form 1120L, U.S. Life Insurance Company Income Tax Return, as a foreign life insurance company, or Form 1120-PC, U.S. Property and Casualty Insurance Company Income Tax Return, as a foreign property and casualty insurance company.
- It did not engage in a U.S. trade or business during the year, and its full U.S. tax was withheld at source.
- It has filed Form 8279, Election To Be Treated as a FSC or as a Small FSC, and the election is still in effect. These corporations must file Form 1120-FSC, U.S. Income Tax Return of a Foreign Sales Corporation.

C. When To File

A foreign corporation's filing requirements depend on whether it has an office or place of business in the United States.

1. A foreign corporation that does not maintain an office or place of business in the United States has until the 15th day of the 6th month after the end of its tax year to file Form 1120F. File Form 7004, Application for Automatic Extension of Time To File Corporation Income Tax Return, to request a 6-month extension of time to file. However, this extension does not extend the time for payment of the tax. Therefore, if the tax is paid after the 15th day of the 6th month after the end of its tax year, the corporation must pay interest on the late payment and is subject to the penalty for late payment of tax described in General Instruction L3.

2. A foreign corporation that does maintain an office or place of business in the United States has until the 15th day of the 3rd month after the end of its tax year to file Form 1120F. However, the corporation may get an extension of time to file Form 1120F in one of two ways:

- a. It may utilize the 3-month extension of time to file described in Regulations section 1.6081-5 by attaching to Form 1120F the statement described in those regulations. If this option is chosen, the corporation is not required to file Form 7004. The corporation is still required to pay the tax due by the 15th

day of the 3rd month after the end of its tax year; however, if it does not, the corporation must pay the interest on the late payment but is not subject to the penalty for late payment of tax described in General Instruction L3.

b. It may file Form 7004 by the 15th day of the 3rd month after the end of its tax year to obtain a 6-month extension of time to file. However, the 6-month extension that is granted by the timely filing of Form 7004 does not extend the time for payment of the tax. Therefore, if the tax is paid after the 15th day of the 3rd month following the close of the corporation's tax year, the corporation must pay interest on the late payment and is subject to the penalty for late payment of tax described in General Instruction L3.

Form 1120F must be filed on a timely basis or else the foreign corporation may be denied the benefit of certain deductions and credits.—A foreign corporation is only allowed to take deductions and credits against its effectively connected income if it timely files Form 1120F in a true and accurate manner.

For these purposes, Form 1120F is generally considered to be timely filed if it is filed no later than 18 months after the due date of the current year's return. An exception may apply to foreign corporations that have yet to file Form 1120F for the preceding tax year.

A foreign corporation is allowed the following deductions and credits regardless of whether Form 1120F is timely filed:

- a. The charitable contributions deduction (Section II, line 19, page 3, Form 1120F);
 - b. The credit from regulated investment companies (line 6f, page 1, Form 1120F);
 - c. The credit for Federal tax paid on fuels (line 6g, page 1, Form 1120F); and
 - d. U.S. income tax paid or withheld at source (line 6h, page 1, Form 1120F).
- See Regulations section 1.882-4 for details.

D. Where To File

File Form 1120F with the Internal Revenue Service Center, Philadelphia, PA 19255.

E. Who Must Sign

The return must be signed and dated by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or any other corporate officer (such as tax officer) authorized to sign. Receivers, trustees, or assignees must also sign and date any return filed on behalf of a corporation.

If a corporate officer completes Form 1120F, the Paid Preparer's space should remain blank. Anyone who prepares Form 1120F but does not charge the corporation should not sign the return. Generally, anyone who is paid to prepare the return must sign it and fill in the Paid Preparer's Use Only area.

The paid preparer must complete the required preparer information and:

- Sign the return, by hand, in the space provided for the preparer's signature (signature stamps or labels are not acceptable).
- Give a copy of Form 1120F to the taxpayer.

F. Accounting Methods

Taxable income must be computed using the method of accounting regularly used in

keeping the corporation's books and records. Generally, permissible methods include the cash, accrual, or any other method authorized by the Internal Revenue Code. In all cases, the method used must clearly show taxable income.

Generally, a corporation (other than a qualified personal service corporation) must use the accrual method of accounting if its average annual gross receipts exceed \$5 million. See section 448(c). A corporation engaged in farming operations must also use the accrual method. For exceptions, see section 447.

Under the accrual method, an amount is includable in income when all the events have occurred that fix the right to receive the income and the amount can be determined with reasonable accuracy. See Regulations section 1.451-1(a) for details.

Generally, an accrual basis taxpayer can deduct accrued expenses in the tax year in which all events that determine the liability have occurred, the amount of the liability can be figured with reasonable accuracy, and economic performance takes place with respect to the expense. There are exceptions for recurring items. See section 461(h) and the related regulations for more information.

Long-term contracts (except for certain real property construction contracts) must generally be accounted for using the percentage of completion method described in section 460. See section 460 for general rules on long-term contracts.

Generally, the corporation may change the method of accounting used to report taxable income (for income as a whole or for any material item) only by getting consent on Form 3115, Application for Change in Accounting Method. For more information, see Pub. 538, Accounting Periods and Methods.

G. Change in Accounting Period

Generally, before changing an accounting period, the Commissioner's approval must be obtained (Regulations section 1.442-1) by filing Form 1128, Application To Adopt, Change, or Retain a Tax Year. Also see Pub. 538.

1. Certain Controlled Foreign Corporations and Certain Foreign Personal Holding Companies

The tax year of a specified foreign corporation (defined below) is generally required to be the tax year of its majority U.S. shareholder (see section 896(c) for details).

A "specified foreign corporation" is any foreign corporation: (i) that is treated as a controlled foreign corporation for any purpose under subpart F (sections 951 through 964) or is a foreign personal holding company (as defined in section 552); and (ii) with respect to which the 50% U.S. ownership requirements of section 896(b)(2) are met.

2. Foreign Corporations That Are Personal Service Corporations

Personal service corporations, as defined in Temporary Regulations section 1.441-4T (see the instructions for item O on page 6), must adopt a calendar year unless: (i) the corporation can establish to the satisfaction of the Commissioner that there is a business purpose for having a different tax year, or

(ii) the corporation elects under section 444 to have a tax year other than a calendar year.

Personal service corporations that wish to establish a business purpose for having a different tax year should see Rev. Rul. 87-57, 1987-2 C.B. 117, for more information. Also see Rev. Proc. 87-32, 1987-2 C.B. 396, for procedures to use in adopting, retaining, or changing the corporation's tax year. Personal service corporations that wish to adopt or retain a non-calendar tax year must file requests to do so on Form 1128 in accordance with the procedures outlined in Rev. Proc. 87-32.

Personal service corporations that wish to elect under section 444 to have a tax year other than a calendar year must file Form 8716, Election To Have a Tax Year Other Than a Required Tax Year. Generally, Form 8716 must be filed by the earlier of: (i) the 15th day of the 5th month following the month that includes the 1st day of the tax year for which the election will be effective, or (ii) the due date (not including extensions) of the income tax return resulting from the section 444 election.

Electing corporations are subject to minimum distribution requirements under section 280H(c) for each year the election is in effect. If the corporation fails to make the required minimum distributions, the deduction allowable for certain amounts paid to employee-owners is limited to a maximum deductible amount under section 280H(d). Amounts not allowed as a deduction for the tax year are carried over to the following tax year. Complete Schedule H (Form 1120), Section 280H Limitations for a Personal Service Corporation (PSC), to figure the required minimum distributions and the maximum deductible amount, if applicable.

H. Rounding Off to Whole Dollars

The corporation may show amounts on the return and accompanying schedules as whole dollars. To do so, drop any amount less than 50 cents and increase any amount from 50 cents through 99 cents to the next higher dollar.

I. Recordkeeping

The corporation's records should be kept for as long as they may be needed for the administration of any provision of the Internal Revenue Code. Usually, records that support an item of income, deduction, or credit on the return must be kept for 3 years from the date the return is due or filed, whichever is later. Keep records that verify the corporation's basis in property for as long as they are needed to figure the basis of the original or replacement property.

The corporation should also keep copies of any returns it has filed. They help in preparing future returns and in making computations when filing an amended return.

J. Payment of Tax Due

The requirements for payment of tax depend on whether the foreign corporation has an office or place of business in the United States.

1. Foreign corporations that do not maintain an office or place of business in the United States must pay the tax due in full when they file their tax return, but not later

than the 15th day of the 6th month after the end of the tax year.

The tax must be paid directly to the IRS (i.e., do not use the depository method of tax payment described in 2 below). The tax may be paid by check or money order, payable to the Internal Revenue Service. To help ensure proper crediting, write the corporation's employer identification number, "Form 1120F," and the tax period to which the payment applies on the check or money order. Enclose the payment when you file Form 1120F with the Internal Revenue Service Center, Philadelphia, PA 19255.

2. Foreign corporations that do maintain an office or place of business in the United States must pay the tax due in full when they file their tax return, but not later than the 15th day of the 3rd month after the end of the tax year.

The tax must be paid using the depository method of tax payment. Under this method, the corporation deposits its income tax payments (and estimated tax payments) with Form 8109, Federal Tax Deposit Coupon. Do not send deposits directly to an IRS office. Mail or deliver the completed Form 8109 with the payment to a qualified depository for Federal taxes or to the Federal Reserve bank (FRB) servicing the corporation's geographic area. Make checks or money orders payable to that depository or FRB.

To help ensure proper crediting, write the corporation's employer identification number, the tax period to which the deposit applies, and "Form 1120F" on the check or money order. Be sure to darken the "1120" box on the coupon. These records of deposits will be sent to the IRS.

A penalty may be imposed if the deposits are mailed or delivered to an IRS office rather than to an authorized depository or FRB.

For more information about deposits, see the instructions in the coupon booklet (Form 8109) and Pub. 583, Taxpayers Starting a Business.

Caution: If the corporation owes tax when it files Form 1120F, do not include the payment with the tax return. Instead, mail or deliver the payment with Form 8109 to a qualified depository or FRB.

K. Estimated Tax Payments

Generally, a foreign corporation must make installment payments of estimated tax if it expects its estimated tax (as defined in Regulations section 1.882-1(e)) to be \$500 or more. For a calendar or fiscal year corporation, the installments are due by the 15th day of the 4th, 6th, 9th, and 12th months of the tax year. If any date falls on a Saturday, Sunday, or legal holiday, the installment is due on the next regular workday. Use Form 1120-W, Corporation Estimated Tax, as a worksheet to compute estimated tax. Foreign corporations that maintain an office or place of business in the United States must use the deposit coupons (Forms 8109) to make deposits of estimated tax. For more information on estimated tax payments, including penalties that apply if the corporation fails to make required payments, see the instructions for line 7 on page 5.

If the corporation overpaid estimated tax, it may be able to get a "quick refund" by filing Form 4466, Corporation Application for Quick Refund of Overpayment of Estimated Tax.

The overpayment must be at least 10% of the expected income tax liability and at least \$500. To apply for a quick refund, file Form 4466 before the 16th day of the 3rd month after the end of the tax year, but before the corporation files its income tax return. Do not file Form 4466 before the end of the corporation's tax year.

L. Interest and Penalties

1. **Interest.**—Interest is charged on taxes not paid by the due date, even if an extension of time to file is granted. Interest is also charged on penalties imposed for failure to file, negligence, fraud, gross valuation overstatements, and substantial understatements of tax from the due date (including extensions) to the date of payment. The interest charge is figured at a rate determined under section 6621.

2. **Late Filing of Return.**—A corporation that does not file its tax return by the due date, including extensions, may have to pay a penalty of 5% of the unpaid tax for each month or part of a month the return is late, up to a maximum of 25% of the unpaid tax. The minimum penalty for a return that is more than 30 days late is the smaller of the tax due or \$100. The penalty will not be imposed if the corporation can show that the failure to file on time was due to reasonable cause. Corporations that file late must attach a statement explaining the reasonable cause.

3. **Late Payment of Tax.**—A corporation that does not pay the tax when due may have to pay a penalty of 1/2 of 1% of the unpaid tax for each month or part of a month the tax is not paid, up to a maximum of 25% of the unpaid tax. This penalty may also apply to any additional tax not paid within 10 days of the date of the notice and demand for payment. The penalty will not be imposed if the corporation can show that the failure to pay on time was due to reasonable cause.

4. **Other Penalties.**—Other penalties can be imposed for negligence, substantial understatement of tax, and fraud. See sections 6662 and 6663.

M. Other Forms, Returns, Schedules, and Statements That May Be Required

1. Forms, Returns, and Schedules

Form 5471.—Information Return of U.S. Persons With Respect to Certain Foreign Corporations. This form is filed by certain officers, directors, or U.S. shareholders of certain foreign corporations.

Form 5472.—Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. This form is filed by a foreign corporation engaged in a U.S. trade or business that had certain reportable transactions with a related party. See section 6038A and the related regulations, section 6038C, and the instructions for Form 5472 for additional information.

Form W-2, Wage and Tax Statement, and Form W-3, Transmittal of Income and Tax Statements.

Form 720.—Quarterly Federal Excise Tax Return. This form is used to report the 10% excise tax that applies to the following items, to the extent the sales price exceeds the amounts shown: (1) passenger vehicles,

\$30,000; (2) boats and yachts, \$100,000; (3) aircraft, \$250,000; and (4) jewelry and furs, \$10,000. Form 720 is also used to report environmental excise taxes, communications and air transportation taxes, fuel taxes, manufacturers taxes, ship passenger tax, and certain other excise taxes.

Caution: A 100% penalty may apply if certain excise taxes that must be collected are not collected or are not paid to the IRS. The penalty is 100% of the unpaid taxes. The 100% penalty may be imposed on all persons who are determined by the IRS to be responsible for collecting, accounting for, and paying over these taxes, and who acted willfully in not doing so. See the Instructions for Form 720 for more details, including the definition of responsible person.

Form 940 or Form 940-EZ.—Employer's Annual Federal Unemployment (FUTA) Tax Return. The corporation may be liable for FUTA tax and may have to file Form 940 or 940-EZ if it paid wages of \$1,500 or more in any calendar quarter or one or more employees worked for the corporation for some part of a day in any 20 different weeks during the calendar year.

Form 941.—Employer's Quarterly Federal Tax Return. Employers must file this form quarterly to report income tax withheld and employer and employee social security and Medicare taxes. Agricultural employers must file Form 943, Employer's Annual Tax Return for Agricultural Employees, instead of Form 941, to report income tax withheld and employer and employee social security and Medicare taxes for farmworkers.

Caution: A 100% penalty may apply if income, social security, and Medicare taxes that must be withheld are not withheld or are not paid to the IRS. The penalty is 100% of the unpaid taxes. The 100% penalty may be imposed on all persons who are determined by the IRS to be responsible for collecting, accounting for, and paying over these taxes, and who acted willfully in not doing so. See Circular E, Employer's Tax Guide (or Circular A, Agricultural Employer's Tax Guide), for more details, including the definition of responsible person.

Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons, and Form 1042S, Foreign Person's U.S. Source Income Subject to Withholding. Use these forms to report and transmit withheld tax on payments or distributions made to nonresident alien individuals, foreign partnerships, or foreign corporations, to the extent such payments or distributions constitute gross income from U.S. sources (see General Instruction O1 for sourcing rules). For more information, see sections 1441 and 1442, and Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations.

Form 1099.—Annual Summary and Transmittal of U.S. Information Returns.

Form 1098.—Mortgage Interest Statement. This form is used to report the receipt from any individual of \$500 or more of mortgage interest and points in the course of the corporation's trade or business for any calendar year.

Forms 1099-A, B, DIV, INT, MISC, R, and S.—These information returns are used to report certain payments, such as dividends and interest. For more information, see the

Instructions for Forms 1099, 1098, 5468, and W-2G and Pub. 937, Employment Taxes and Information Returns.

Form 5713.—International Boycott Report, for persons having operations in or related to "boycotting" countries. Also, persons who participate in or cooperate with an international boycott may have to complete Schedule A or Schedule B and Schedule C of Form 5713 to compute their loss of the following items: the foreign tax credit, the deferral of earnings of a controlled foreign corporation, DISC benefits, and FSC benefits.

Form 8264.—Application for Registration of a Tax Shelter. It is used by tax shelter organizers to register tax shelters with the IRS, for the purpose of receiving a tax shelter registration number.

Form 8271.—Investor Reporting of Tax Shelter Registration Number. Taxpayers who have acquired an interest in a tax shelter that is required to be registered use this form to report the tax shelter's registration number. Form 8271 must be attached to any tax return (including an application for tentative refund (Form 1139) and an amended return) on which a deduction, credit, loss, or other tax benefit attributable to a tax shelter is taken or any income attributable to a tax shelter is reported.

Form 8275.—Disclosure Statement. This form is used by taxpayers and income tax return preparers to disclose items or positions, except those contrary to a regulation (see Form 8275-R below), that are not otherwise adequately disclosed on a tax return. The disclosure is made to avoid parts of the accuracy-related penalty imposed for negligence, disregard of rules, or substantial understatement of tax. Form 8275 is also used for disclosures relating to preparer penalties for understatements due to unrealistic positions or for willful or reckless conduct.

Form 8275-R.—Regulation Disclosure Statement. This form is used to disclose any item on a tax return for which a position has been taken that is contrary to Treasury regulations.

Form 8300.—Report of Cash Payments Over \$10,000 Received in a Trade or Business. Generally, this form is used to report the receipt of more than \$10,000 in cash or foreign currency in one transaction or in a series of related transactions.

After February 2, 1992, cashier's checks (including treasurer's checks and bank checks), bank drafts, and money orders with face amounts of \$10,000 or less are considered cash under certain circumstances. For more information, see Form 8300 and Regulations section 1.60501-1(c).

Form 8594.—Asset Acquisition Statement, must be filed by both the purchaser and seller of a group of assets constituting a trade or business if goodwill or a going concern value attaches, or could attach, to such assets and if the purchaser's basis in the assets is determined only by the amount paid for the assets.

Form 8821.—Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. A corporation that was a shareholder in a passive foreign investment company (as defined in section 1296) at any time during the tax year must complete and attach this form to its return.

Form 8897.—Interest Computation Under the Look-Back Method for Completed Long-Term Contracts. Use this form to figure the interest due or to be refunded under the look-back method of section 460(b)(2) on certain long-term contracts that are accounted for under either the percentage of completion-capitalized cost method or the percentage of completion method.

Form 8810.—Corporate Passive Activity Loss and Credit Limitations. Closely held corporations and personal service corporations, which are subject to the passive activity limitations of section 469, use this form to compute their allowable passive activity loss and credit.

Schedule PH (Form 1120)—U.S. Personal Holding Company Tax. See General Instruction P.

2. Statements

Transfers to a corporation controlled by the transferor.—If a person receives stock of a corporation in exchange for property, and no gain or loss is recognized under section 351, the person (transferor) and the transferee must each attach to their tax returns the information required by Regulations section 1.351-3.

Statements in lieu of schedules.—If the foreign corporation has no gross income for the tax year, do not complete the Form 1120F schedules. Instead, attach a statement to the return showing the types and amounts of income excluded from gross income.

3. Attachments

Attach Form 4136, Credit for Federal Tax Paid on Fuels, after page 6, Form 1120F. Attach schedules in alphabetical order and other forms in numerical order after Form 4136.

To assist us in processing the return, please complete every applicable entry space on Form 1120F. Do not write "See attached" instead of completing the entry spaces. If you need more space on the forms or schedules, attach separate sheets and show the same information in the same order as on the printed forms. But show your totals on the same size as the forms and schedules. Attach these separate sheets after all the schedules and forms. Be sure to put the corporation's name and employer identification number (EIN) on each sheet.

N. Claim for Refund

If a foreign corporation has only income that is not effectively connected with the conduct of a U.S. trade or business and Form 1120F is being used as a claim for refund of tax paid or withheld at source, attach Form(s) 1042S, 8805, 8288-A, etc., to the return to verify the amount(s) of withholding credit reported. Include all income from U.S. sources on the return, even though all tax due on it was paid or withheld at source.

If the refund results from tax that was withheld at source, a statement from the payer/withholding agent (or from an intermediate nominee acting on your behalf as the foreign recipient of the income) may be substituted for Form 1042S. The statement should show:

• The amount(s) of tax withheld;

- The name(s) and address(es) of the U.S. withholding agent(s);
- The U.S. tax identification number of the U.S. withholding agent;
- The name in which the tax was withheld, if different from the name of the taxpayer claiming the refund; and
- If applicable, enough information to show that the taxpayer was entitled to a reduced tax rate under a treaty.

O. Special Rules for Foreign Corporations

1. Source Rules

a. Interest income

Interest income is generally sourced by the residence of the obligor (i.e., interest paid by an obligor resident of the United States is U.S. source income and interest paid by an obligor resident of a country other than the United States is foreign source income).

Exceptions.—The following types of interest income are treated as foreign source income:

- (i) Interest income received from foreign branches of U.S. banks and savings and loan associations; and
- (ii) Interest income received from a U.S. corporation or a resident alien individual, if you can prove that 80% or more of the U.S. corporation's (or resident alien individual's) gross income is active foreign business income (defined below) during the testing period (also defined below).

Active foreign business income is income that is derived from sources outside the United States and that is attributable to the active conduct of a trade or business in a foreign country or U.S. possession.

The testing period is generally the 3 tax years of the U.S. corporation or resident alien individual preceding the tax year during which the interest is paid. If the payer existed for less than 3 years before the tax year of the payment, the testing period is the term of the payer's existence before the current year. If the payment is made during the payer's first tax year, that year is the testing period.

(iii) The amount of interest allowable as a deduction to a foreign corporation under Regulations section 1.882-5 in computing its effectively connected taxable income is treated as paid by a domestic corporation and thus as U.S. source interest, notwithstanding the fact that the actual payer of the interest is a foreign corporation. For more details, see the instructions for Section III, Part II on page 15.

Look-thru rule.—If the foreign corporation is a "related person" (see section 861(c)(2)(B) for definition) to a U.S. corporation or resident alien individual that meets the 80% rule described in (ii) above, the foreign corporation will have foreign source income only to the extent that the income of the payer was derived from foreign sources.

b. Dividend income

Dividend income is generally sourced by payer (i.e., dividends paid by a corporation that was incorporated in the United States are U.S. source income and dividends paid by a corporation that was incorporated in a foreign country are foreign source income).

Exceptions relating to U.S. corporation payers.—Dividends paid by a U.S. corporation are foreign source income:

(i) If the U.S. corporation has made a valid election under section 936, relating to certain U.S. corporations operating in a U.S. possession, or

(ii) To the extent the dividends are attributable to qualified export receipts described in section 993(a)(1) (other than interest and gains described in section 995(b)(1)).

Exceptions relating to foreign corporation payers.—Dividends paid by a foreign corporation are U.S. source income:

(i) To the extent the dividend is treated under section 243(e) as a distribution from the accumulated profits of a predecessor U.S. corporation, or

(ii) To the extent the foreign corporation's effectively connected gross income for the testing period bears to all of the foreign corporation's gross income for the testing period, but only if 25% or more of the foreign corporation's gross income during the testing period (defined below) was effectively connected with the conduct of a U.S. trade or business, to the extent the foreign corporation's effectively connected gross income for the testing period bears to all of the foreign corporation's gross income for the testing period.

The testing period is generally the 3 tax years of the foreign corporation payer preceding the tax year during which it declared the dividend. If the foreign corporation existed for less than 3 years before the tax year of declaration, the testing period is the term of the foreign corporation's existence before the current year. If the foreign corporation declared the dividend in its first tax year, that year is the testing period. Regardless of source, however, there is no tax imposed on any dividends paid by a foreign corporation out of earnings and profits for a tax year in which the foreign corporation was subject to the branch profits tax (determined after application of any income tax treaty).

c. Rent and Royalty Income

Rent and royalty income for the use of property is sourced where the property is used.

d. Income From the Sale or Exchange of Real Estate

Income from the sale or exchange of real estate is sourced where the property is located.

e. Income From the Sale or Exchange of Personal Property

Income from the sale of personal property by a foreign corporation is generally sourced under the following sections:

(i) Income from the purchase and sale of inventory property is generally sourced under sections 861(a)(6) and 862(a)(6);

(ii) Income from the production and sale of inventory property is generally sourced under section 863(b)(2);

(iii) Income from the sale of depreciable property is generally sourced under section 865(c); and

(iv) Income from the sale of intangibles is generally sourced under section 865(d).

Foreign corporations with an office or fixed place of business in the United States.—

Income from the sale of personal property attributable to such office or fixed place of business is U.S. source income regardless of any of the above rules relating to the source of income from the sale or exchange of personal property unless the foreign corporation is an export trade corporation (see sections 865(e)(2)(A) and 871).

Exception: Income from the sale of inventory property is foreign source income if the goods were sold for use, disposition, or consumption outside the United States and a foreign office of the corporation materially participated in the sale.

2. Other Special Rules**a. Basis of Property and Inventory Costs for Property Imported by a Related Person**

If property is imported into the United States by a related person in a transaction and the property has a customs value, the basis or inventory cost to the importer cannot exceed the customs value. For more information, see section 1059A.

b. Income of Foreign Governments and International Organizations

Income of foreign governments and international organizations from the following sources is generally not subject to taxation: (1) investments in the United States in stocks, bonds, or other domestic securities owned by such foreign government or international organization; (2) interest on deposits in banks in the United States of moneys belonging to such foreign government or international organization; or (3) investments in the United States in financial instruments held (by a foreign government) in the execution of governmental financial or monetary policy. However, the types of income described in section 892(a)(2) that are "received" directly or indirectly from commercial activities are subject to tax. (They are also subject to withholding.)

P. Filing Requirements of Foreign Personal Holding Companies and Personal Holding Companies

If the corporation is a "foreign personal holding company" (as defined in section 552), Regulations section 1.551-4 requires certain shareholders of the corporation to attach a statement to their personal returns containing the information required by section 551(c). Furthermore, section 8035 (and the related regulations) requires certain officers, directors, and shareholders of a foreign personal holding company to file Schedule N (Form 5471) and the appropriate schedules of Form 5471 (see the Instructions for Form 5471 for additional information).

If the corporation is a "personal holding company" (as defined in section 542) but not a foreign personal holding company, it must file Schedule PH (Form 1120) with Form 1120F and report the personal holding company tax on line 4, page 1, Form 1120F. See section 542 and Schedule PH (Form 1120) for details.

If the corporation is a "personal holding company" (as defined in section 542) but not a foreign personal holding company, it must file Schedule PH (Form 1120) with Form 1120F and report the personal holding company tax on line 4, page 1, Form 1120F. See section 542 and Schedule PH (Form 1120) for details.

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If the corporation is a "personal holding company" (as defined in section 542) but not a foreign personal holding company, it must file Schedule PH (Form 1120) with Form 1120F and report the personal holding company tax on line 4, page 1, Form 1120F. See section 542 and Schedule PH (Form 1120) for details.

begin in 1992 and end in 1993. For a fiscal year, fill in the tax year space at the top of the form.

Note: The 1992 Form 1120F may also be used if (1) the corporation has a tax year of less than 12 months that begins and ends in 1993 and (2) the 1993 Form 1120F is not yet available at the time the corporation is required to file its return. However, the corporation must show its 1993 tax year on the 1992 Form 1120F and incorporate any tax law changes that are effective for tax years beginning after December 31, 1992.

Address.—Include the suite, room, or other unit number after the street address. If a preaddressed label is used, please include this information on the label.

If the Post Office does not deliver mail to the street address and the corporation has a P.O. box, show the box number instead of the street address.

If the corporation's address has changed from the last time Form 1120F was filed, check the box at the top of page 1.

Note: If a change in address occurs after the return is filed, the foreign corporation should use Form 8822, Change of Address, to notify the IRS of the new address.

Employer identification number.—Show the corporation's correct EIN. If the corporation does not have an EIN, it should apply for one on Form SS-4, Application for Employer Identification Number. Form SS-4 can be obtained at most IRS or Social Security Administration offices. If the corporation has not received its EIN by the time the return is due, write "Applied for" in the space for the EIN. See Pub. 583 for more information.

Line 6b. Estimated Tax Payments.—Enter any estimated tax payments the corporation made for the tax year.

Beneficiaries of Trusts.—If the corporation is the beneficiary of a trust, and the trust makes a section 643(g) election to credit its estimated tax payments to its beneficiaries, include the corporation's share of the estimated tax payment in the total amount entered on line 6b. Write "T" and the amount of the payment on the dotted line to the left of the entry space.

Line 6g. Credit for Federal Tax Paid on Fuels.—Complete and attach Form 4136 if the corporation qualifies to take this credit.

Credit for ozone-depleting chemicals.—Also include on line 6g any credit the corporation is claiming under section 4682(g)(3) for ozone-depleting chemicals used in the manufacture of rigid foam insulation. Write "ODC" on the dotted line to the left of the entry space.

Line 6i. Total Payments

Backup withholding.—If the corporation had income tax withheld from any payments it received, because, for example, it failed to give the payer its correct EIN, include the amount withheld in the total for line 6i. This type of withholding is called "backup withholding." Show the amount withheld in the blank space in the right-hand column between lines 5 and 6i, and label the amount "backup withholding."

Line 7. Estimated Tax Penalty.—A corporation that does not make estimated tax payments when due may be subject to an underpayment penalty for the period of underpayment. Generally, a corporation is

subject to the penalty if its tax liability is \$500 or more, and it did not timely pay the smaller of (a) 93% of its tax liability for 1992 (97% of its tax liability for a tax year beginning after June 30, 1992) or (b) 100% of its prior year's tax. See section 6655 for details and exceptions, including special rules for large corporations.

Form 2220. Underpayment of Estimated Tax by Corporations, is used to see if the corporation owes a penalty and to figure the amount of the penalty. Generally, the corporation does not have to file this form because the IRS can figure the amount of any penalty and bill the corporation for it. However, you must complete and attach Form 2220 even if the corporation does not owe the penalty if: (a) the annualized income or adjusted seasonal installment method is used, or (b) the corporation is a "large corporation" computing its first required installment based on the prior year's tax. (See the Instructions for Form 2220 for the definition of a "large corporation.")

If you attach Form 2220, be sure to check the box on line 7, page 1, Form 1120F and enter the amount of any penalty on that line.

Section I.—Certain Gains, Profits, and Income From U.S. Sources That Are NOT Effectively Connected With the Conduct of a Trade or Business in the United States

Include in Section I amounts received by the foreign corporation that meet all of the following conditions:

1. The amount received is fixed or determinable, annual or periodic (FDAP). This includes:

a. Interest (other than original issue discount (OID) as defined in section 1273), dividends, rents, royalties, salaries, wages, premiums, annuities, compensation, and other FDAP gains, profits, and income. Certain portfolio interest is not taxable for obligations issued after July 18, 1984. See section 881(c) for more details.

b. Gains described in section 631(b) or (c), relating to disposal of timber, coal, or domestic iron ore with a retained economic interest.

c. On a sale or exchange of an OID obligation, the amount of OID accruing while the obligation was held by the foreign corporation, unless the amount was taken into account on a payment.

d. On a payment received on an OID obligation, the amount of OID accruing while the obligation was held by the foreign corporation, to the extent such OID was not previously taken into account and to the extent that the tax imposed on the OID does not exceed the payment received less the tax imposed on any interest included in the payment received. This rule applies to payments received with respect to OID obligations issued after March 31, 1972.

Certain OID is not taxable for OID obligations issued after July 18, 1984. See section 881(c) for more details.

For rules that apply to other OID obligations, see Pub. 515.

a. Gains from the sale or exchange of patents, copyrights, and other intangible

property to the extent the gains are from payments that are contingent on the productivity, use, or disposition of the property or interest sold or exchanged.

2. The amount received is includable in the gross income of the foreign corporation. Therefore, receipts that are excluded from gross income (e.g., interest income received on state and local bonds that are excluded from gross income under section 103) would not be included as income in Section I.

3. The amount received is from U.S. sources (see General Instruction O1 for sourcing rules).

4. The amount received is not effectively connected with the conduct of a U.S. trade or business. As discussed in item 1a in the specific instructions for Section II, the amount received is generally not effectively connected if both the "asset-use" test and the "business-activities" test are not met.

5. The amount received is not exempt from taxation. Therefore, receipts that are exempted by code (e.g., interest on deposits that are exempted by section 881(d)) would not be included as income in Section I.

For more information, see section 881(a) and Regulations section 1.881-2.

Note: A corporation created or organized in Guam, American Samoa, the Northern Mariana Islands, or the Virgin Islands will not be treated as a foreign corporation (for purposes of determining whether its income is taxable under section 881(a)) if it meets the rules of section 881(b).

Line 9. Gross transportation income.—A tax of 4% is imposed on a foreign corporation's U.S. source gross transportation income for the tax year. "U.S. source gross transportation income" is generally any gross income that is transportation income (defined below) to the extent such income is treated as from U.S. sources (as explained below). However, the term U.S. source gross transportation income does not include income that is effectively connected with the conduct of a U.S. trade or business (as explained below) or income that is taxable in a possession of the United States under the provisions of the Internal Revenue Code as applied to that possession.

"Transportation income" is any income derived from, or in connection with (a) the use (or hiring or leasing for use) of a vessel or aircraft or (b) the performance of services directly related to the use of a vessel or aircraft. For purposes of the preceding sentence, the term "vessel or aircraft" includes any container used in connection with a vessel or aircraft.

Generally, 50% of all transportation income that is attributable to transportation that either begins or ends in the United States or treated as from U.S. sources. However, see section 863(c)(2)(B) for a special rule for personal service income.

Transportation income of the corporation will not be treated as effectively connected income unless (a) the corporation has a fixed place of business in the United States involved in the earning of transportation income and (b) substantially all of the corporation's U.S. source gross transportation income (determined without regard to the rule that such income does not include effectively connected income) is attributable to regularly scheduled transportation (or, in the case of

income from the leasing of a vessel or aircraft, is attributable to a fixed place of business in the United States). For more information, see section 887.

Enter the foreign corporation's U.S. source gross transportation income on line 9, column (b). Also, attach a statement to Form 1120F showing the dates the vessels or aircraft entered or left the United States and the amount of gross income for each trip.

Additional Information Required on Page 2

Item 0. Personal service corporation.—A "personal service corporation" is a corporation whose principal activity during the testing period for the tax year is the performance of personal services that are substantially performed by employee-owners who own more than 10% of the fair market value of the corporation's outstanding stock as of the last day of the testing period for the tax year.

The testing period for a tax year is generally the tax year preceding the tax year. The testing period for a new corporation in its first tax year is the period beginning on the earlier of the last day of its first tax year or the last day of the calendar year in which the first tax year began.

Activities that are treated as the performance of personal services are those that involve the performance of services in the fields of health, law, engineering, architecture, accounting, actuarial science, performing arts, or consulting (as such fields are defined in Temporary Regulations section 1.448-1T(e)).

Personal services are substantially performed by employee-owners if more than 20% of the corporation's compensation cost for the testing period attributable to the performance of personal services is attributable to personal services performed by employee-owners.

A person is considered to be an employee-owner if the person is an employee of the corporation on any day of the testing period and the person owns any outstanding stock of the corporation on any day of the testing period. Stock ownership is determined under the attribution rules of section 318 (except that "any" is substituted for "50%" in section 318(a)(2)(C)).

For more details, see Temporary Regulations section 1.441-4T.

Item P

Report any tax-exempt interest received or accrued in the space provided. Include any exempt-interest dividends received as a shareholder in a mutual fund or other regulated investment company.

Item R

If you check this box, do not attach the statement described in Regulations section 7.0(d).

Item S

Check the "Yes" box for item S(1) if the corporation is a subsidiary in a "parent-subsidiary controlled group" (defined on page 7). You must check the "Yes" box even if the corporation is a subsidiary member of one group and the parent corporation of another.

Note: If the corporation is an "excluded member" of a controlled group (see section 1563(b)(2)), it is still considered a member of a controlled group for this purpose.

Parent-subsidiary controlled group means one or more chains of corporations connected through stock ownership (section 1563(a)(1)). Both of the following requirements must be met:

1. 80% of the total combined voting power of all classes of stock entitled to vote or at least 80% of the total value of all classes of stock of each corporation in the group (except the parent) must be owned by one or more of the other corporations in the group.
2. The common parent must own at least 80% of the total combined voting power of all classes of stock entitled to vote or at least 80% of the total value of all classes of stock of at least one of the other corporations in the group. Stock owned directly by other members of the group is not counted when computing the voting power or value.

See section 1563(d)(1) for the definition of "stock" for purposes of determining stock ownership above.

Section II.—Income Effectively Connected With the Conduct of a Trade or Business in the United States

A. Foreign Corporations Engaged in a U.S. Trade or Business

These corporations are taxed on their effectively connected income (defined below) according to the same graduated tax rate schedule (see page 12) that applies to domestic corporations.

Effectively connected income is composed of the following:

1. U.S. source effectively connected income

a. Fixed or determinable, annual or periodic (FDAP) items are generally effectively connected income (and are therefore includible in Section II) if one or both of the following tests is met:

(1) **Asset-use test.**—The FDAP items are derived from assets used in, or held for use in, the conduct of the U.S. trade or business. For example, interest income earned on a trade or note receivable acquired in the conduct of the U.S. trade or business would be effectively connected income. Likewise, interest income earned from the temporary investment of funds needed in the foreign corporation's U.S. trade or business would be effectively connected income.

(2) **Business-activities test.**—The activities of the U.S. trade or business were a material factor in the realization of the FDAP items.

If neither test is met, FDAP items are generally not effectively connected income (and are therefore includible in Section I instead of Section II).

For more information, see section 864(c)(2) and Regulations section 1.864-4(c), and the examples therein.

b. U.S. source income other than FDAP items is effectively connected income.

2. Foreign source effectively connected income

Foreign source income is generally not effectively connected income. However, if the

foreign corporation has an office or other fixed place of business in the United States, the following types of foreign source income it receives that are attributable to that U.S. office are effectively connected income:

a. Rents or royalties received for the use outside the United States of intangible personal property described in section 862(a)(4) if derived in the active conduct of a U.S. trade or business;

b. Dividends or interest from foreign sources if derived in the active conduct of a U.S. banking, financing, or similar business, OR if the principal business of the foreign corporation is trading in stocks or securities for its own account; or

c. Income derived from the sale or exchange of inventory outside the United States through the U.S. office, unless the property is sold or exchanged for use, consumption, or disposition outside the United States and an office of the foreign corporation in a foreign country participated materially in the sale.

See section 864(c)(5)(A) and Regulations section 1.864-7 for definition of office or other fixed place of business in the United States. See sections 864(c)(5)(B) and (C) and Regulations section 1.864-6 for special rules for determining when foreign source income received by a foreign corporation is attributable to an office or other fixed place of business in the United States.

Foreign insurance companies.—Foreign source income of a foreign insurance company that is attributable to its U.S. trade or business is effectively connected income.

Exceptions.—Foreign source income that would otherwise be effectively connected income under any of the above rules for foreign source income is excluded if:

1. It is foreign source dividends, interest, or royalties paid by a foreign corporation in which the taxpayer owns or is considered to own (within the meaning of section 958) 50% or more of the total combined voting power of all classes of stock entitled to vote; or
2. The taxpayer is a controlled foreign corporation (as defined in section 957) and the foreign source income is subpart F income (as defined in section 952).

For more information, see section 864(c)(4) and Regulations section 1.864-5.

B. Foreign Corporations NOT Engaged in a U.S. Trade or Business

These corporations will not report income in Section II unless they:

1. Have current year income or gain that is attributable to a sale or exchange of property or the performance of services (or any other transaction) in any other tax year and that would have been effectively connected income in that other tax year (see section 864(c)(6));

2. Have current year income or gain from the disposition of property that had ceased to be used or held for use in connection with the conduct of a U.S. trade or business within the 10-year period before the disposition of property and that would have been effectively connected income immediately before such cessation (see section 864(c)(7));

3. Elect to treat real property income as effectively connected income (see Item C below).

4. Were created or organized and are carrying on a banking business in a U.S. possession, and receive interest on U.S. obligations that is not portfolio interest (see section 882(e)); or

5. Have gain or loss from the disposition of a U.S. real property interest (see Item D below).

C. Election to Treat Real Property Income as Effectively Connected Income

A foreign corporation that derives, during the tax year, any income from real property located in the United States, or from any interest in such real property, may elect, for the tax year, to treat all such income as effectively connected income. Income to which this election applies includes:

- Gains from the sale or exchange of real property or an interest therein;
- Rents or royalties from mines, wells, or other natural deposits; and
- Gain described in sections 631(b) or (c).

The election may be made whether or not the corporation is engaged in a U.S. trade or business during the tax year for which the election is made or whether or not the corporation has income from real property that, for the tax year, is effectively connected with the conduct of a U.S. trade or business.

To make the election, attach a statement that includes the information required in Regulations section 1.871-10(d)(1)(ii) to Form 1120F for the first tax year for which the election is to apply. Use Section II to figure the tax on this income.

D. Disposition of U.S. Real Property Interest by a Foreign Corporation

A foreign corporation that disposes of a U.S. real property interest (as defined in section 897(c)) must treat the gain or loss from the disposition as effectively connected income, even if the corporation is not otherwise engaged in a U.S. trade or business. This gain or loss must be figured on Schedule D (Form 1120), Capital Gains and Losses and the result must be carried over to line 8, Section II on page 3 of Form 1120F. A foreign corporation may elect to be treated as a domestic corporation for purposes of sections 897 and 1445. See sections 897(f) and 882(d).

See Temporary Regulations section 1.897-5T for the applicability of section 897 to reorganizations and liquidations.

If the corporation had income tax withheld on Form 8288-A, Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests, include the amount withheld in line 6h, page 1.

Income

Line 1

Enter gross income that is effectively connected with the conduct of a U.S. trade or business except those income items that must be reported on lines 4 through 10. For reporting advance payments, see Regulations section 1.451-5. To report income from long-term contracts, see section 460.

Generally, the installment method cannot be used for dealer dispositions of property. A "dealer disposition" means any disposition of personal property by a person who regularly sells or otherwise disposes of property of the same type on the installment plan. The

disposition of property used or produced in the farming business is not included as a dealer disposition. See section 453(f) for details and exceptions.

Enter on line 1 (and print the same amount to line 3) the gross profit on collections from installment sales for any of the following:

- Dealer dispositions of property before March 1, 1986.
- Dispositions of property used or produced in the trade or business of farming.
- Certain dispositions of timeshares and residential lots reported under the installment method.

Attach a schedule showing the following information for the current and the 3 preceding years: (a) gross sales, (b) cost of goods sold, (c) gross profits, (d) percentage of gross profits to gross sales, (e) amount collected, and (f) gross profit on the amount collected.

For sales of timeshares and residential lots reported under the installment method, the corporation's income tax is increased by the interest payable under section 453(j)(5). To report this addition to the tax, see the instructions for line 9, Schedule J on page 13.

Accrual basis taxpayers need not accrue certain amounts to be received from the performance of services that, on the basis of their experience, will not be collected (section 448(d)(5)). This provision does not apply to any amount if interest is required to be paid on that amount or if there is any penalty for failure to timely pay that amount.

Corporations that fall under this provision should attach a schedule showing total gross receipts, the amount not accrued as a result of the application of section 448(d)(5), and the net amount accrued. Enter the net amount on line 1a. For more information and guidelines on this "non-accrual experience method," see Temporary Regulations section 1.448-2T.

Line 2. Cost of goods sold.—See instructions for Schedule A on page 11.

Line 4. Dividends.—See instructions for Schedule C on page 11.

Line 5. Interest.—Enter taxable interest on U.S. obligations and on loans, notes, mortgages, bonds, bank deposits, corporate bonds, tax refunds, etc.

Do not offset interest expense against interest income.

Line 6. Gross rents.—Enter the gross amount received for the rent of property. Deduct expenses such as repairs, interest, taxes, and depreciation on the proper lines for deductions. A rental activity held by a closely held corporation or a personal service corporation may be subject to the passive activity loss rules. See Form 8810 and the related instructions.

Line 8. Capital gain net income.—Every sale or exchange of a capital asset must be reported in detail on Schedule D (Form 1120), Capital Gains and Losses, even though no gain or loss is indicated. For purposes of computing the adjustments to the accumulated earnings tax under section 535(b)(6), foreign corporations must only include capital gains and losses that are effectively connected with a U.S. trade or business.

Line 9. Net gain or (loss).—Enter the net gain or (loss) from line 20, Part II, Form 4797, Sales of Business Property.

Line 10. Other income.—Enter any other taxable income not reported on lines 1 through 9. List the type and amount of income on an attached schedule. If the corporation has only one item of other income, describe it in parentheses on line 10. Examples of other income to report on line 10 are:

- Any adjustment under section 481(a) required to be included in income during the current tax year due to a change in a method of accounting;
- Recoveries of bad debts deducted in prior years under the specific charge-off method;
- The amount of credit for alcohol used as fuel (determined without regard to the limitation based on tax) that was entered on Form 9478, Credit for Alcohol Used as Fuel; and
- Refunds of taxes deducted in prior years to the extent they reduced income subject to tax in the year deduced (see section 111). Do not offset current year taxes against tax refunds.

Deductions

In computing the taxable income of a foreign corporation engaged in a U.S. trade or business, deductions are allowed only to the extent they are connected with income that is effectively connected with the conduct of a trade or business in the United States. Charitable contributions, however, may be deducted whether or not they are so connected. See section 882(c) and Regulations section 1.882-4(b) for more information.

Apportionment of Expenses

Expenses that are directly related to a class of gross income (including tax-exempt income) must be allocated to that class of gross income. Expenses not directly related to a class of gross income should be allocated to all classes of income on the basis of gross income in each class of income to total gross income, or some other ratio that clearly relates to the classes of income.

Attach a schedule to Form 1120F showing classes of gross income and expenses directly allocable to each class of gross income. For expenses that are not directly allocable to a class of gross income, show the computation of the expense to each class of gross income.

Limitations on Deductions

Section 263A Uniform Capitalization Rules.—These rules require corporations to capitalize or include in inventory certain costs incurred in connection with the production of real and personal tangible property held in inventory or held for sale in the ordinary course of business. Tangible personal property produced by a corporation includes a film, sound recording, video tape, book, or similar property. The rules also apply to personal property (tangible and intangible) acquired for resale. Corporations subject to these rules are required to capitalize not only direct costs but an allocable portion of most indirect costs (including taxes) that relate to the assets produced or acquired for resale. Interest expense paid or incurred during the production period must be capitalized and is governed by special rules. For more information, see Notice 88-99, 1988-2 C.B.

422. The uniform capitalization rules also apply to the production of property constructed or improved by a corporation for use in its trade or business or in an activity engaged in for profit.

Section 263A does not apply to personal property acquired for resale if the taxpayer's annual average gross receipts are \$10 million or less. It does not apply to timber or to most property produced under a long-term contract. Special rules apply for farmers. The rules do not apply to property that is produced for use by the corporation if substantial construction occurred before March 1, 1986.

In the case of inventory, some of the indirect costs that must be capitalized are: administration expenses; taxes; depreciation; insurance; compensation paid to officers attributable to services; rework labor; and contributions to pension, stock bonus, and certain profit-sharing, annuity, or deferred compensation plans.

The costs that must be capitalized under section 263A are not deductible until the property to which the costs relate is sold, used, or otherwise disposed of by the corporation.

Current deductions may still be claimed for reasonable research and experimental costs under section 174, intangible drilling costs for oil and gas and geothermal property, and mining and exploration and development costs incurred in the conduct of a U.S. trade or business. Temporary Regulations section 1.263A-1T specifies other indirect costs that may be currently deducted and those that must be capitalized with respect to production or resale activities. For more information, see Temporary Regulations section 1.263A-1T.

Transactions between related taxpayers.—Generally, an accrual basis taxpayer may only deduct business expenses and interest owed to a related party in the year the payment is included in the income of the related party. See sections 1639(c)(2), 1639, and 267 for limitations on deductions for unpaid interest and expenses.

Section 291 limitations.—Corporations may be required to adjust deductions for depletion of iron ore and coal, intangible drilling and exploration and development costs, certain deductions for financial institutions, and the amortizable basis of pollution control facilities. See section 291 to determine the amount of adjustment. Also see section 43.

Golden parachute payments.—A portion of the payments made by a corporation to key personnel that exceeds their usual compensation may not be deductible. This occurs when the corporation has an agreement (golden parachute) with these key employees to pay them these excessive amounts if control of the corporation changes. See section 280G.

Business startup expenses.—Business startup expenses are required to be capitalized unless an election is made to amortize them over a period of 60 months. See section 195.

Passive activity limitations.—Limitations on passive activity losses and credits under section 469 apply to closely held corporations (defined at the top of page 9) and personal service corporations as defined in Temporary

Regulations section 1.441-4T (see the instructions for Item O on page 6).

For this purpose, a corporation is a closely held corporation if at any time during the last half of the tax year more than 50% in value of its outstanding stock is owned, directly or indirectly, by or for not more than five individuals, and the corporation is not a personal service corporation. Certain organizations are treated as individuals for purposes of this test. (See section 542(a)(2).) For rules of determining stock ownership, see section 544 (as modified by section 465(a)(3)).

There are two kinds of passive activities: trade or business activities in which the corporation did not materially participate (see Temporary Regulations section 1.469-11(g)(3)) for the tax year, and rental activities regardless of its participation. An activity is a trade or business activity if the activity involves the conduct of a trade or business (i.e., deductions from the activity would be allowable under section 162 if other limitations, such as the passive loss rules, did not apply), or the activity involves research or experimental expenditures that are deductible under section 174 (or would be deductible if the corporation chose to deduct rather than capitalize them), and the activity is not a rental activity.

Corporations subject to the passive activity limitations must complete Form 8810 to compute their allowable passive activity loss and credit. Before completing Form 8810, see Temporary Regulations section 1.163-8T, which provides rules for allocating interest expense among activities. If a passive activity is also subject to the at-risk rules of section 465, the at-risk rules apply before the passive loss rules. For more information, see section 469, the related regulations, and Pub. 925, *Passive Activity and At-Risk Rules*.

Line 12. Compensation of officers.—Enter any officers' compensation on line 12 and complete Schedule E on page 4 if total receipts (line 1a, plus lines 4 through 10, page 3) are \$500,000 or more. Do not include compensation claimed elsewhere on the return, such as amounts included in cost of goods sold, elective contributions to a section 401(k) cash or deferred arrangement, or amounts contributed under a salary reduction SEP agreement.

Complete Schedule E, line 1, columns (a) through (f), for all officers. The corporation determines who is an officer under the laws where incorporated.

Line 13. Salaries and wages.—Enter the amount of total salaries and wages paid or incurred for the tax year. Do not include salaries and wages deductible elsewhere on the return, such as amounts included in cost of goods sold, elective contributions to a section 401(k) cash or deferred arrangement, or amounts contributed under a salary reduction SEP agreement.

Caution: If the corporation provided taxable fringe benefits to its employees, such as personal use of a car, do not deduct as wages the amount allocated for depreciation and other expenses claimed on lines 20 and 22.

Enter on line 13b the amount of jobs credit from Form 5684, Jobs Credit.

Line 14. Repairs.—Enter the cost of incidental repairs not claimed elsewhere on the return, such as labor and supplies, that

do not add to the value of the property or appreciably prolong its life. New buildings, machinery, or permanent improvements that increase the value of the property are not deductible. They must be depreciated or amortized.

Line 15. Bad debts.—Enter the total debts that became worthless in whole or in part during the tax year. A small bank or thrift institution using the reserve method should attach a schedule showing how it arrived at the current year's provision.

Caution: A cash basis taxpayer may not claim a bad debt deduction unless the amount was previously included in income.

Line 16. Rents.—If the corporation rented or leased a vehicle, enter the total annual rent or lease expense paid or incurred during the year. Also complete Part V of Form 4562, *Depreciation and Amortization*. If the corporation leased a vehicle for a term of 30 days or more, the deduction for vehicle lease expense may have to be reduced by the "inclusion amount." The corporation may have an inclusion amount if:

The lease term began:	And the vehicle's fair market value on the first day of the lease exceeded:
After 12/31/91	\$14,000
After 12/31/90 but before 1/1/92	\$13,400
After 12/31/89 but before 1/1/91	\$12,800

If the lease term began after June 18, 1984, but before January 1, 1987, see Pub. 917, *Business Use of a Car*, to find out if the corporation has an inclusion amount. Also see Pub. 917 for instructions on figuring the inclusion amount.

Line 17. Taxes.—Enter taxes paid or accrued during the tax year, but do not include the following:

1. Federal income taxes (except the environmental tax under section 59A);
 2. Foreign or U.S. possession income taxes if a tax credit is claimed;
 3. Taxes not imposed on the corporation;
 4. Taxes, including state or local sales taxes, that are paid or incurred in connection with an acquisition or disposition of property (such taxes must be treated as a part of the cost of the acquired property or, in the case of a disposition, as a reduction in the amount realized on the disposition);
 5. Taxes assessed against local benefits that increase the value of the property assessed (such as for paving, etc.); or
 6. Taxes deducted elsewhere on the return, such as those reflected in cost of goods sold.
- See section 164(d) for apportionment of taxes on real property between seller and purchaser.

If the corporation is liable for the environmental tax under section 59A, see Form 4828, *Alternative Minimum Tax—Corporations*, for computation of the environmental tax deduction.

See section 906(b)(1) for rules concerning certain foreign taxes imposed on income from U.S. sources that may not be deducted or credited.

Line 18. Interest.—See section 882(c) and Regulations section 1.882-5 for rules for interest deductions allowed to foreign corporations.

Line 19. Charitable contributions.—Enter contributions or gifts actually paid within the tax year to or for the use of charitable and governmental organizations described in section 170(c) and any unused contributions carried over from prior years.

Note: This deduction is allowed for all contributions, whether or not connected with income that is effectively connected with the conduct of a trade or business in the United States (see section 882(c)(1)).

The total amount claimed may not exceed 10% of taxable income (line 31, Section II) computed without regard to the following:

1. Any deduction for contributions;
2. The special deductions on line 30b;
3. The deduction allowed under section 249;
4. Any net operating loss (NOL) carryback to the tax year under section 172; and
5. Any capital loss carryback to the tax year under section 1212(a)(1).

Charitable contributions over the 10% limitation may not be deducted for the tax year but may be carried over to the next 5 tax years.

Taxable income is modified in order to determine the amount of an NOL used in an intervening year (i.e., a year to which an NOL is carried but not fully absorbed). For this purpose, taxable income is computed by determining the NOL deduction for the year without regard to the NOL for the loss year or later year. See section 172(b)(2). To the extent charitable contributions are used to reduce taxable income for this purpose and increase an NOL carryover, a contributions carryover is not allowed. See section 170(d)(2)(B).

Corporations on the accrual basis may elect to deduct contributions paid on or before the 15th day of the 3rd month after the end of the tax year if the contributions are authorized by the board of directors during the tax year. Attach to the return a declaration, signed by an officer, stating that the resolution authorizing the contributions was adopted by the board of directors during the tax year. Also attach a copy of the resolution.

If a corporation (other than a closely held or personal service corporation) contributes property other than cash and the deduction claimed for the property exceeds \$500, the corporation must attach a schedule to the return describing the kind of property contributed and the method used to determine its fair market value. Closely held corporations and personal service corporations must complete Form 8283, *Noncash Charitable Contributions*, and attach it to Form 1120F. All other corporations must generally complete and attach Form 8283 to Form 1120F for contributions of property other than money if the total claimed deduction for all property contributed was more than \$5,000.

A corporation must also keep records, as required by the regulations for section 170, for all of its charitable contributions.

If the corporation made a "qualified conservation contribution" under section 170(e), also include the fair market value of the underlying property before and after the donation, as well as the type of legal interest

contributed, and describe the conservation purpose furthered by the donation.

If a contribution carryover is included, show the amount and how it was determined. **Special rule for contributions of certain property.** For a charitable contribution of property, reduce the contribution by the sum of:

1. The ordinary income, short-term capital gain that would have resulted if the property were sold at its fair market value; and
2. For certain contributions, all of the long-term capital gain that would have resulted if the property were sold at its fair market value.

The reduction for the long-term capital gain applies to:

1. Contributions of tangible personal property for use by an exempt organization for a purpose or function unrelated to the basis for its exemption, and
2. Contributions of any property (except stock for which market quotations are readily available—see section 170(e)(5)) to or for the use of certain private foundations. See section 170(e) and Regulations section 1.170A-4.

For special rules for contributions of inventory and other property to certain organizations, see section 170(e)(3) and Regulations section 1.170A-4A.

Charitable contributions of scientific property used for research. A corporation (other than a personal holding company or a service organization) can receive a larger deduction for contributing scientific property used for research to an institution of higher education. For more details, see section 170(e).

Line 20. Depreciation.—Besides depreciation, include on line 20 the part of the cost (up to \$10,000) that the corporation elected to expense for certain tangible property placed in service during tax year 1992, or carried over from 1991. See Form 4562, *Depreciation and Amortization*, and its instructions.

Line 23. Depletion.—See sections 613 and 613A for percentage depletion rates applicable to natural deposits. Also, see section 291 for the limitation on the depletion deduction for iron ore and coal (including lignite).

Foreign intangible drilling costs and foreign exploration and development costs must either be added to the corporation's basis for cost depletion purposes or be deducted ratably over a 10-year period. See sections 263(j), 616, and 617 for details.

Attach Form T (Timber), *Forest Industries Schedules*, if a deduction for depletion of timber is claimed.

Line 25. Pension, profit-sharing, etc., plans.—Enter the amount of contributions to pension, profit-sharing, or other funded deferred compensation plans. Employers who maintain any such plan generally must file one of the forms listed below, even if the plan is not a "qualified plan" under the Internal Revenue Code. The filing requirement applies even if the corporation does not claim a deduction for the current tax year. There are penalties for failure to file these forms on time and for overstating the pension plan deduction. For more information, see sections 6652(e) and 6662(f).

Form 5500.—Complete this form for each plan with 100 or more participants.

Form 5500-C/R.—Complete this form for each plan with fewer than 100 participants.

Form 5500EZ.—Complete this form for a one-participant plan. A one-participant plan includes plans that cover the owners and their spouses and plans that cover partners in a business partnership (or the partners and their spouses).

Line 26. Employee benefit programs.—Enter contributions to employee benefit programs not claimed elsewhere on the return (e.g., insurance, health, and welfare programs) that are not an incidental part of a pension, profit-sharing, etc., plan included on line 25.

Line 27. Other deductions.—Attach a separate sheet listing all allowable deductions that are not deductible elsewhere on Form 1120F.

Include on this line the deduction for amortization of pollution control facilities, corporation expenses, etc. See Form 4562.

A corporation may deduct dividends it pays in cash on stock held by an employee stock ownership plan. However, a deduction may only be taken if, according to the plan, the dividends are:

1. Paid in cash directly to the plan participants or beneficiaries;
2. Paid to the plan, which distributes them in cash to the plan participants or their beneficiaries, no later than 90 days after the end of the plan year in which the dividends are paid; or
3. Used to make payments on a loan described in section 404(a)(9).

See section 404(k) for more details and the limitation on certain dividends.

Generally, a deduction may not be taken for any amount that is allocable to a class of exempt income. See section 265(b) for exceptions.

Generally, the corporation can deduct only 80% of the amount otherwise allowable for meals and entertainment expenses paid or incurred in its trade or business. Also, meals must not be lavish or extravagant; a bona fide business discussion must occur during, immediately before, or immediately after the meal; and your employee must be present at the meal. See section 274(k)(2) for exceptions. If the corporation claims a deduction for unallowable meal expenses, it may have to pay a penalty.

Additional limitations apply to deductions for gifts, skybox rentals, luxury water travel, convention expenses, and entertainment tickets. See section 274 and Pub. 463, *Travel, Entertainment, and Gift Expenses*.

Generally, a corporation can deduct all other ordinary and necessary travel and entertainment expenses paid or incurred in its trade or business. It cannot, however, deduct an expense paid or incurred for a facility (such as a yacht or hunting lodge) that is used for an activity that is usually considered amusement, entertainment, or recreation. **Note:** The corporation may be able to deduct the expense if the amount is treated as compensation and reported on Form W-2 for an employee or on Form 1099-MISC for an independent contractor.

Note: Do not deduct penalties imposed on corporations such as those included in *General Instruction L*.

Line 29. Taxable income before net operating loss deduction and special deductions.

At-risk rules.—Special at-risk rules under section 465 generally apply to closely held corporations (defined at the top of page 9) engaged in any activity as a trade or business, or for the production of income. These corporations may have to adjust the amount on line 29. However, the at-risk rules do not apply to: (1) holding real property placed in service by the taxpayer before 1987; (2) equipment leasing under sections 465(c)(4), (5), and (6); and (3) any qualifying business of a qualified corporation described in section 465(c)(7). However, the at-risk rules do apply to the holding of mineral property.

If the at-risk rules apply, adjust the amount on line 29 for section 465(d) losses. These losses are limited to the amount for which such corporation is at risk for each separate activity at the close of the tax year. If the corporation is involved in one or more activities, any of which incurs a loss for the year, report the loss for each activity separately. Attach Form 6198, *At-Risk Limitations*, showing the amount at risk and gross income and deductions for the activities with losses.

If the corporation sets or otherwise disposes of an asset or its interest (either total or partial) in an activity to which the at-risk rules apply, determine the net profit or loss from the activity by combining the gain or loss on the sale or disposition with the profit or loss from the activity. If the corporation has a net loss, it may be limited because of the at-risk rules.

Treat any loss from an activity not allowed for the tax year as a deduction allocable to the activity in the next tax year.

Line 30a. Net operating loss deduction.—The net operating loss (NOL) deduction is the total of the NOL carryovers and carrybacks that can be deducted in the tax year. See section 172(a). If this deduction is taken, show its computation on an attached schedule.

Generally, a corporation may carry an NOL back to each of the 3 years preceding the year of the loss and carry it over to each of the 15 years following the year of the loss. Personal service corporations are not permitted to carry back an NOL to or from any tax year to which a section 444 election applies.

A corporation may carry back 10 years that part of the NOL attributable to a product liability loss (section 172(b)(1)(C)). See Regulations section 1.172-13(c) for the statement that must be attached to Form 1120F when claiming the 10-year carryback on product liability losses.

There is also an election to carry an NOL over to just each of the 15 years following the year of loss. To make this election, check the box in Item R at the bottom of page 2 of Form 1120F. The return must be timely filed (including extensions). The election is irrevocable. Section 172(b)(1) describes types of losses for which the 15-year-carryforward period does not apply.

After applying the NOL to the first tax year to which it may be carried, the portion of the loss the corporation may carry to each of the remaining tax years is the excess, if any, of the loss over the sum of the modified taxable income for each of the prior tax years to which the corporation may carry the loss. See section 172(b).

If there is a carryback of an NOL, net capital loss, or an unused credit, file Form 1139, Corporation Application for Tentative Refund, within 12 months after the close of the tax year for a "quick refund" of taxes. See section 6411.

Caution: Do not attach Form 1139 to Form 1120F. Mail it in a separate envelope to the Internal Revenue Service Center, Philadelphia, PA 19255.

For carryback claims filed later than 12 months after the end of the tax year, file amended Form 1120F instead of Form 1139.

See section 172 for special rules, limitations, and definitions pertaining to NOL carrybacks and carryovers. Also see Pub. 536, Net Operating Losses.

See section 382 for the limitation on the amount of taxable income of a loss corporation for any tax year ending after a post-1986 ownership change that may be offset by pre-change NOL carryovers. Also see Temporary Regulations section 1.382-2T(a)(2)(i), which requires that a loss corporation file an information statement with its income tax return for each tax year that it is a loss corporation and certain shifts in ownership occurred.

See section 384 for the limitation on the use of preacquisition losses of one corporation to offset recognized built-in gains of another corporation.

Line 30b. Special deductions.—See instructions for Schedule C below.

Schedule A—Cost of Goods Sold
See Section 263A Uniform Capitalization Rules on page 8 before completing Schedule A.

Note: If inventories are not an income-determining factor, enter zero on lines 1 and 7 of Schedule A.

Line 4.—An entry is required on this line only for corporations that have elected a simplified method of accounting. For taxpayers that have elected the simplified production method, additional section 263A costs are generally those costs, other than interest, that were not capitalized or included in inventory costs under the taxpayer's method of accounting immediately prior to the effective date in Temporary Regulations section 1.263A-1T, but that are now required to be capitalized under section 263A.

For taxpayers that have elected a simplified resale method, additional section 263A costs are generally those costs incurred with respect to the following categories: off-site storage or warehousing; purchasing; handling, processing, assembly, and repackaging; and general and administrative costs (mixed service costs). Enter on line 4 the balance of section 263A costs paid or incurred during the tax year not included on lines 2, 3, and 5. See Temporary Regulations section 1.263A-1T for more information.

Line 5.—Enter on line 5 any costs paid or incurred during the tax year not entered on lines 2 through 4.

Line 7.—See Temporary Regulations section 1.263A-1T for more information on computing the amount of additional section 263A costs to be capitalized and added to ending inventory.

Line 9a. Inventory valuation methods.—Inventories can be valued at: (1) cost, (2) cost or market value (whichever is lower), or (3) any other method approved by the IRS that conforms with the provisions of the applicable regulations cited below.

Corporations that use erroneous valuation methods must change to a method permitted for Federal income tax purposes. To make this change, use Form 3115.

On line 9a, check the method(s) used for valuing inventories. Under "lower of cost or market," the term "market" generally refers to normal market conditions where there is a current bid price prevailing at the date the inventory is valued. When no regular open market exists or when quotations are nominal because of inactive market conditions, use fair market prices from the most reliable sales or purchase transactions that occurred near the date the inventory is valued.

Inventories may be valued below cost when the merchandise is unsalable at normal prices or unusable in the normal way because the goods are "subnormal" due to damage, imperfections, shop wear, etc., within the meaning of Regulations section 1.471-2(c). The goods may be valued at a current bona fide selling price, minus direct cost of disposition (but not less than scrap value) if such a price can be established.

If this is the first year the "Last-in, First-out" (LIFO) inventory method was either adopted or extended to inventory goods not previously valued under the LIFO method provided in section 472, attach Form 970, Application To Use LIFO Inventory Method, or a statement with the information required by Form 970. Also check the LIFO box on line 9b. On line 9c, enter the amount or the percent of total closing inventories covered under section 472. Estimates are acceptable.

If the corporation changed or extended its inventory method LIFO and had to "write-up" its opening inventory to cost in the year of election, report the effect of this write-up as income (in Section II, line 10, page 3) proportionately over a 3-year period that begins with the year of the LIFO election (see section 472(d)).

For more information on inventory valuation methods, see Pub. 538, Accounting Periods and Methods.

Schedule C—Dividends and Special Deductions

For purposes of the 20% ownership test on lines 1 through 7, the percentage of stock owned by the corporation is based on voting power and value of the stock. Preferred stock described in section 1504(a)(4) is not taken into account.

Line 1, Column (a)

Enter dividends (except those received on debt-financed stock acquired after July 18, 1984—see section 248A) that are received from less-than-20%-owned domestic corporations subject to income tax and that are subject to the 70% deduction under section 243(a)(1). Include on this line taxable distributions from an IC-DISC or former DISC that are designated as eligible for the 70%

deduction and certain dividends of Federal Home Loan Banks. See section 248A(2).

For dividends received from a regulated investment company, see section 854 for the amount subject to the 70% deduction.

Report so-called dividends or earnings received from mutual savings banks, etc., as interest. Do not treat them as dividends.

Line 2, Column (a)

Enter dividends (except those received on debt-financed stock acquired after July 18, 1984) that are received from 20%-or-more-owned domestic corporations subject to income tax and that are subject to the 80% deduction under section 243(c). Include on this line taxable distributions from an IC-DISC or former DISC that are designated as eligible for the 80% deduction.

Line 3, Column (a)

Enter dividends on debt-financed stock acquired after July 18, 1984, that are received from domestic and foreign corporations subject to income tax and that would otherwise be subject to the dividends-received deduction under section 243(a)(1), 243(c), or 245(a). Generally, debt-financed stock is stock that the corporation acquired by incurring a debt (e.g., it borrowed money to buy the stock).

Line 3, Columns (b) and (c)

Dividends received on debt-financed stock acquired after July 18, 1984, are not entitled to the full 70% or 80% dividends-received deduction. The 70% or 80% deduction is reduced by a percentage that is related to the amount of debt incurred to acquire the stock. See section 246A. Also see section 245(a) before making this computation for an additional limitation that applies to dividends received from foreign corporations. Attach a schedule that shows how the amount on line 3, column (c) was figured.

Line 4, Column (a)

Enter dividends received on the preferred stock of a less-than-20%-owned public utility that is subject to income tax and is allowed the deduction provided in section 247 for dividends paid.

Line 5, Column (a)

Enter dividends received on preferred stock of a 20%-or-more-owned public utility that is subject to income tax and is allowed the deduction provided in section 247 for dividends paid.

Line 6, Column (a)

Enter the U.S.-source portion of dividends that are received from less-than-20%-owned foreign corporations and that qualify for the 70% deduction under section 245(a). To qualify for the 70% deduction, the corporation must own at least 70% of the stock of the foreign corporation by vote and value.

Line 7, Column (a)

Enter the U.S.-source portion of dividends that are received from 20%-or-more-owned foreign corporations and that qualify for the 80% deduction under section 245(a).

Line 8, Column (c)

Limitation on dividends-received deduction. Generally, line 8 of column (c) may not exceed the amount from the worksheet that follows. However, in a year in which an NOL occurs, this limitation does not apply even if the loss is created by the dividends-received deduction. See sections 172(d) and 246(b). Certain financial institutions to which section 593(a) applies should see section 598 for the special limitation on the dividends-received deduction.

1. Refigure line 29, Section II without any adjustment under section 1059 and without any capital loss carryback to the tax year under section 1212(a)(1).

2. Multiply line 1 by 80%.

3. Add lines 2, 5, and 7, column (c) and the part of the deduction on line 3, column (c) that is attributable to dividends received from 20%-or-more-owned corporations.

4. Enter the smaller of line 2 or line 3. If line 3 is greater than line 2, stop here; enter the amount from line 4 on line 8, column (c), and do not complete the rest of this worksheet.

5. Enter the total amount of dividends received from 20% - or - more - owned corporations that are included on lines 2, 3, 5, and 7, column (a).

6. Subtract line 5 from line 1.

7. Multiply line 6 by 70%.

8. Subtract line 3 above from line 8, column (c).

9. Enter the smaller of line 7 or line 8.

10. Dividends-received deduction after limitation (sec. 246(b)). Add lines 4 and 9. Enter the result here and on line 8, column (c).

Line 9, Column (a)

Enter all other dividends received from foreign corporations that are not reportable on lines 3, 6, or 7 of column (a). Exclude distributions of amounts constructively taxed in the current year or in prior years under subpart F (sections 951 through 964).

Line 10, Column (a)

If the corporation claims the foreign tax credit, enter the tax that is deemed paid under sections 902 and 960. See sections 78 and 906(b)(4).

Line 11, Column (a)

Enter taxable distributions from an IC-DISC or former DISC that are designated as not eligible for a dividends-received deduction.

No deduction is allowed under section 243 for a dividend from an IC-DISC or former DISC (as defined in section 992(a)) to the extent the dividend:

1. is paid out of the corporation's accumulated IC-DISC income or previously taxed income, or
2. is a deemed distribution under section 995(b)(1).

Line 12, Column (a)

Include the following:

1. Dividends (other than capital gain dividends and exempt-interest dividends) that are received from regulated investment companies and that are not subject to the 70% deduction.

2. Dividends from tax-exempt organizations.

3. Dividends (other than capital gain dividends) received from a real estate investment trust that qualifies, for the tax year of the trust in which the dividends are paid, under sections 856 through 860.

4. Dividends not eligible for a dividends-received deduction because of the holding period of the stock or an obligation to make corresponding payments with respect to similar stock.

Two situations in which the dividends-received deduction will not be allowed on any share of stock are:

a. If the corporation held it 45 days or less (see section 246(c)(1)(A)), or

b. To the extent the corporation is under an obligation to make related payments for substantially similar or related property.

5. Any other taxable dividend income not properly reported above (including distributions under section 936(h)(4)). If patronage dividends or per-unit retain allocations are included in Schedule C, line 12, column (a), identify the total of these amounts in a schedule and attach it to Form 1120F.

Line 13, Column (c)

Section 247 allows public utilities a deduction of 41.176% of the smaller of:

1. Dividends paid on their preferred stock during the tax year, or
2. Taxable income computed without regard to this deduction.

In a year in which an NOL occurs, compute the deduction without regard to section 247(a)(1)(B). See section 172(d).

Schedule J—Tax Computation

Lines 1 and 2

Members of a controlled group, as defined in section 1563, are entitled to one \$50,000 and one \$25,000 taxable income bracket amount (in that order) on line 2a.

When a controlled group adopts or later amends an apportionment plan, each member must attach to its tax return a copy of its consent to this plan. The copy (or an attached statement) must show the part of the amount in each taxable income bracket apportioned to that member. There are other requirements as well. See Regulations section 1.1561-3(b) for the requirements and for the time and manner of making the consent.

Equal Apportionment Plan. If no apportionment plan is adopted, the members of the controlled group must divide the amount in each taxable income bracket equally among themselves. For example, controlled group AB consists of corporation A and corporation B. They do not elect an apportionment plan. Therefore, both corporation A and corporation B are entitled to \$25,000 (one-half of \$50,000) in the \$50,000 taxable income bracket on line 2a(i).

and to \$12,500 (one-half of \$25,000) in the \$25,000 taxable income bracket on line 2a(i).

Unequal Apportionment Plan. Members of a controlled group may elect an unequal apportionment plan and divide the taxable income bracket amounts as they wish. There is no need for consistency between taxable income brackets. Any member of the controlled group may be entitled to all, some, or none of the taxable income bracket.

However, the total amount for all members of the controlled group cannot be more than the total amount in each taxable income bracket. Each member of a controlled group must compute its tax as follows (except qualified personal service corporations):

1. Enter taxable income (line 31, Section I) _____
2. Enter line 1 or the corporation's share of the \$50,000 taxable income bracket, whichever is less _____
3. Subtract line 2 from line 1 _____
4. Enter line 3 or the corporation's share of the \$25,000 taxable income bracket, whichever is less _____
5. Subtract line 4 from line 3 _____
6. Enter 15% of line 2 _____
7. Enter 25% of line 4 _____
8. Enter 34% of line 5 _____
9. If the taxable income of the controlled group exceeds \$100,000, enter this member's share of the smaller of: (a) 5% of the excess over \$100,000, or (b) \$11,750. (See Additional 5% tax below.) _____
10. Add lines 6 through 9. Enter this amount on line 3, Schedule J. _____

Additional 5% tax. Members of a controlled group are treated as one corporation for purposes of figuring the applicability of the additional 5% tax that must be paid by corporations with taxable income in excess of \$100,000. If the additional tax applies, each member of the controlled group will pay that tax based on the part of the amount that is used in each taxable income bracket to reduce that member's tax. See section 1561(a). Each member of the group must enter its share of the additional 5% tax on line 2b and attach to its tax return a schedule that shows the taxable income of the entire group as well as how its share of the additional tax was figured.

Line 3

A corporation that is not a qualified personal service corporation or a member of a controlled group must compute its tax on its taxable income as follows:

Tax Rate Schedule			
If its taxable income (line 31, Section I) is:			
Over—	But not over—	Its tax is:	Of the amount over—
\$0	\$50,000	15%	\$0
50,000	75,000	\$7,500 + 25%	50,000
75,000	100,000	13,750 + 34%	75,000
100,000	335,000	22,250 + 34%	100,000
335,000	-----	-----	0

A qualified personal service corporation is taxed at a flat rate of 34% on its taxable income. A corporation is a qualified personal service corporation if it meets BOTH of the following tests: (a) substantially all of its activities involve the performance of services in the fields of health, law, engineering, architecture, accounting, actuarial science, performing arts, or consulting; and (b) at least 95% of its stock is owned by (1) employees performing the services, (2) retired employees who had performed the services listed above, (3) any estate of an employee or retiree described above, or (4) any person who acquired the stock of the corporation as a result of the death of an employee or retiree if the acquisition occurred within 2 years of death. See Temporary Regulations section 1.448-11(e) for details.

Note: If the corporation meets these tests, be sure to check the box on line 3, Schedule J, Line 4a. Foreign tax credit.—A foreign corporation engaged in a U.S. trade or business during the tax year can take a credit for income, war profits, and excess profits taxes paid, accrued, or deemed paid to any foreign country or U.S. possession with respect to income effectively connected with the conduct of a trade or business in the United States. See section 906 and Form 1118, Foreign Tax Credit—Corporations, for additional information.

Line 4b. Credit for fuel produced from a nonconventional source.—A credit is allowed for the sale of qualified fuels produced from a nonconventional source. Section 29 contains a definition of qualified fuels, provisions for figuring the credit, and other special rules. Attach a separate schedule to the return showing the computation of the credit.

Also see Form 8827 if any of the 1991 credit is disallowed solely because of the tentative minimum tax limitation. See section 53(c).

Line 4c. Orphan drug credit.—To find out when a corporation can take this credit and how it is figured, see section 28 and Form 6785, Credit for Increasing Research Activities (or for claiming the orphan drug credit). Generally, the corporation must reduce its deduction for qualified research or basic research expenses by the amount of any research credit determined under section 41(a). However, this rule does not apply if the corporation elects to take the reduced credit under section 280C(c). See that section for details.

Line 4d. General business credit.—Complete this line if the corporation can take any of the following credits. If the corporation has two or more of these credits, a credit carryforward or carryback (including an ESOP credit), or a passive activity credit, Form 3900, General Business Credit, must also be completed. Enter the amount of the general business credit on line 4d and check the box for Form 3900. If the corporation has only one credit, enter on line 4d the amount of the credit from the form. Also be sure to check the appropriate box for that form.

Investment credit. This credit was generally repealed for property placed in service after 1985. See Form 3468, Investment Credit, for exceptions.

Jobs credit. The corporation may qualify to take this credit if it hired members of special

targeted groups during the tax year. See Form 5684, Jobs Credit, for more information.

Note: The corporation may not take an expense deduction for the part of the wages or salaries paid or incurred that is equal to the amount of the jobs credit (determined without regard to the limitation based on the tax (section 38(c)).

Credit for alcohol used as fuel. A corporation may be able to take a credit for alcohol used as fuel. Use Form 6478, Credit for Alcohol Used as Fuel, to figure the credit.

Credit for increasing research activities. See Form 6785, Credit for Increasing Research Activities, and section 41.

Low-income housing credit. See Form 8586, Low-Income Housing Credit, and section 42.

Enhanced oil recovery credit. A corporation may claim a credit for 15% of its qualified enhanced oil recovery costs. Use Form 8830, Enhanced Oil Recovery Credit, to figure the credit.

Disabled access credit. A corporation may be able to take a credit for certain expenditures paid or incurred to assist individuals with disabilities. See Form 8826, Disabled Access Credit, and section 44.

Line 4e. Credit for prior year minimum tax.—To figure the minimum tax credit and any carryforward of the credit, use Form 8827, Credit for Prior Year Minimum Tax—Corporations.

Line 7. Recapture taxes.—Recapture of investment credit. If the corporation disposed of investment credit property or changed its use before the end of its useful life or recovery period, it may owe a tax. See Form 4255, Recapture of Investment Credit, for details.

Recapture of low-income housing credit. If the corporation disposed of property (or there was a reduction in the qualified basis of the property) on which it took the low-income housing credit, it may owe a tax. See Form 8611, Recapture of Low-Income Housing Credit, and section 42(j) for details.

Line 8a. Alternative minimum tax.—The corporation may owe the alternative minimum tax if it has any of the adjustments and tax preference items (including the adjusted current earnings adjustment) listed on Form 4626, Alternative Minimum Tax—Corporations. The corporation must file Form 4626 if its taxable income (loss) combined with these adjustments and tax preference items is more than the smaller of (a) \$40,000 or (b) the corporation's allowable exemption amount (from Form 4626). See Form 4626 for details.

Reduce alternative minimum tax by the amount on Form 3900, Schedule A, line 34. On the dotted line to the left of the entry space on line 8a, Schedule J, write "Section 38(c)(2)" and the amount.

Line 8b. Environmental tax.—The corporation may be liable for the environmental tax if its modified alternative minimum taxable income exceeds \$2 million. See Form 4626 for details.

Line 9. Interest on tax attributable to payments received on installment sales of certain timeshares and residential lots. If the corporation elected to pay interest on the amount of tax attributable to payments received on installment obligations arising from the disposition of certain timeshares and

residential lots under section 453(j)(3), it must include the interest due in the amount to be entered on line 9, Schedule J. On the dotted line to the left of line 9, Schedule J, write "Section 453(j)(3) interest" and the amount. Attach a schedule showing the computation.

Interest on tax deferred under the installment method for certain nondealer installment obligations. If an obligation arising from the disposition of property to which section 453A applies is outstanding at the close of the tax year, the corporation must include the interest due under section 453A(c) in the amount to be entered on line 9, Schedule J. Write on the dotted line to the left of line 9, Schedule J, "Section 453A(c) interest" and the amount. Attach a schedule showing the computation.

Interest under the look-back method for completed long-term contracts. Include the interest due under the look-back method of section 460(b)(2) on line 9, Schedule J. On the dotted line to the left of the entry space, write "From Form 8697" and the amount of interest due.

Section III—Branch Profits Tax and Tax on Excess Interest

Important: Final regulations under section 884 relating to the branch profits tax, branch-level interest taxes, and qualified resident rules have been issued (see T.D. 8432, 1992-41 I.R.B. 11). Foreign corporations with tax years beginning on or after October 13, 1992, must apply the final regulations. A foreign corporation may also elect to apply the final regulations retroactively under certain conditions. See the final regulations for more details.

If the final regulations apply, use those rules instead of the rules outlined in the instructions for Section III.

Part I—Branch Profits Tax

In general, section 884(a) imposes a 30% branch profits tax on the after-tax earnings of a foreign corporation's U.S. trade or business (i.e., effectively connected earnings and profits (ECEP)) that are not reinvested in a U.S. trade or business by the close of the tax year, or are disinvested in a later tax year.

Changes in the value of the equity of the foreign corporation's U.S. trade or business (i.e., U.S. net equity) are used as a measure of whether earnings have been reinvested in, or disinvested from, a U.S. trade or business. An increase in U.S. net equity during the tax year is generally treated as a reinvestment of earnings for the current tax year, and a decrease in U.S. net equity is generally treated as a disinvestment of prior year's earnings that have not previously been subject to the branch profits tax. The amount subject to the branch profits tax for the tax year is the dividend equivalent amount.

Corporations exempt from the branch profits tax. In general, a foreign corporation is exempt from the branch profits tax on its dividend equivalent amount if it is a qualified resident of a country listed in Temporary Regulations section 1.884-1T(h)(3) for the year 1991, 1987. See the instructions for line 6 on page 14 for the definition of qualified resident. If the foreign corporation is a qualified resident of one of the countries

listed in Temporary Regulations section 1.884-1T(h)(3), skip Section III, Part I, but be sure to complete Item U at the bottom of page 5 of the form. In addition, the foreign corporation must attach a statement explaining why the corporation is a qualified resident.

Foreign governments. A foreign government is subject to both the branch profits tax and the branch-level interest taxes if its tax year ends on or after September 11, 1992. No branch profits tax or branch-level interest taxes will be imposed, however, with respect to ECEP and interest accrued prior to that date. See Regulations section 1.884-0 of the final regulations.

Line 2.—Make the following adjustments (based on the principles of section 312) to the corporation's line 1 effectively connected taxable income (ECTI) (before the NOL deduction and special deductions) to arrive at ECEP:

a. Positive adjustments for certain effectively connected income items that are excluded from ECTI but that must be included in computing ECEP (such as tax-exempt interest income);

b. Positive adjustments for certain items deducted in computing ECTI but that cannot be deducted in computing ECEP. Include adjustments for certain deductions claimed in computing ECTI, such as: (1) excess of percentage depletion over cost depletion, (2) excess of accelerated depreciation over straight line depreciation (but only if 20% or more of the foreign corporation's gross income from all sources is U.S. source), and (3) capital loss carrybacks and carryovers;

c. Negative adjustments for certain deductible items that are allocable to effectively connected income that cannot be deducted in computing ECTI but that must be deducted in computing ECEP (such as Federal income taxes, capital losses in excess of capital gains, and interest and expenses that are not deductible under section 265).

Note: Do not reduce ECEP by any dividends or other distributions made by the foreign corporation to its shareholders during the year.

See Temporary Regulations section 1.884-2T for any adjustments to ECEP due to a reorganization, liquidation, or incorporation. Exceptions. Do not include the following types of income when computing ECEP:

1. Income from the operation of ships or aircraft that is exempt from taxation under section 883(a)(1) or (2);

2. FSC income and distributions treated as effectively connected income under section 921(c) or section 996(b) that are not otherwise effectively connected income;

3. Gain on the disposition of an interest in a domestic corporation that is a U.S. real property interest under section 897(c)(1)(A)(ii) if the gain is not otherwise effectively connected income;

4. Related person insurance company income that a taxpayer elects to treat as effectively connected income under section 953(c)(3)(C) if the income is not otherwise effectively connected income;

5. Income that is exempt from tax under section 892; and

6. Interest income derived by a possession bank from U.S. obligations if the interest is treated as effectively connected income under section 882(e) and is not otherwise effectively connected income.

Note: Deductions and other adjustments attributable under the principles of Regulations section 1.861-8 to the types of income not includable in ECEP listed above do not reduce ECEP.

Line 3. Reporting requirements for historical summary.—Attach a historical summary of ECEP for each tax year beginning after 1986. The summary should indicate whether the corporation was a qualified resident for each of the tax years.

Lines 4a and 4b. U.S. net equity.—"U.S. net equity" is U.S. assets reduced by U.S. liabilities. U.S. net equity may be less than zero. See Temporary Regulations section 1.884-2T for specific rules regarding the computation of the foreign corporation's U.S. net equity in the event of a reorganization, liquidation, or incorporation.

U.S. assets is defined in Temporary Regulations section 1.884-1T(d). In general, property is a U.S. asset if all income from its use and all gain from its disposition (if used or sold on the last day of the tax year) are or would be effectively connected income. Special rules exist for specific types of property, such as depreciable property, inventory, marketable securities, and U.S. real property interests. Under certain circumstances, a foreign corporation may elect to treat a limited amount of marketable securities as U.S. assets. The amount of property taken into account as a U.S. asset is the adjusted basis (for purposes of computing earnings and profits) of the property.

U.S. liabilities is defined in Temporary Regulations section 1.884-1T(e). In general, the term means: (1) the foreign corporation's U.S. assets as of the close of the tax year, times (2) the ratio of the foreign corporation's worldwide liabilities as of the close of the tax year to its worldwide assets as of the close of the tax year OR if the foreign corporation computes its interest deduction using a fixed ratio of liabilities to assets (as determined under Regulations section 1.882-5(b)(2)(ii)), such fixed ratio. For these purposes, the foreign corporation must use the same asset valuation method it uses for determining the amount of its interest deduction that is apportioned to effectively connected income under Regulations section 1.882-5.

Reporting requirements for schedules for lines 4a and 4b.—Report U.S. assets in a manner that conforms to the categories of U.S. assets set forth in Temporary Regulations section 1.884-1T(g), including a line for expansion capital, if the election described in Temporary Regulations section 1.884-1T(d)(11) was made.

Note: U.S. assets must be reported at their adjusted bases (as computed for purposes of determining earnings and profits).

For U.S. liabilities, show either the foreign corporation's worldwide assets and worldwide liabilities or the fixed ratio used to compute U.S. liabilities.

Line 6. Branch profits tax.—

Qualification for treaty benefits. In general, a foreign corporation must be a qualified resident (as defined below) in the tax year in

which it has a dividend equivalent amount in order to obtain treaty benefits with respect to the branch profits tax. It must also meet the requirements of any limitation on benefits article in the treaty. However, a foreign corporation is not required to be a qualified resident if it meets the requirements of a limitation on benefits article that entered into force after December 31, 1986. Treaties other than income tax treaties do not exempt a foreign corporation from the branch profits tax.

Note: If a foreign corporation claims to be a qualified resident based on the two-part stock ownership and base erosion test (see definitions below), a special rule governs when a foreign corporation must be a qualified resident.

Rate of tax. If treaty benefits apply, the rate of tax is the rate on branch profits specified in the treaty. If the treaty does not specify a rate for branch profits, the rate of tax is the rate specified in the treaty for dividends paid by a wholly owned domestic corporation to the foreign corporation. See Temporary Regulations section 1.884-1T(h) for applicable rates of tax. Benefits other than a rate reduction may be available under certain treaties, such as the Canadian income tax treaty.

Definition of qualified resident. A foreign corporation is a qualified resident of a country if it meets one of the following three tests. (The regulations under section 884 give detailed rules for these tests and describe certain circumstances under which a foreign corporation that does not meet these tests may obtain a ruling that it will be treated as a qualified resident.)

a. Two-part ownership and base erosion test.—A foreign corporation meets this test if: (1) more than 50% of its stock (by value) is owned (directly or indirectly) during at least half the number of days in the tax year by individuals who are residents of such country or who are U.S. citizens or residents, and (2) less than 50% of its income is used (directly or indirectly) to meet liabilities to persons who are not residents of such foreign country or U.S. citizens or residents. For purposes of this test, governments of foreign countries and foreign corporations that meet the publicly traded test described in b on page 15 are treated as individuals.

In general, stock owned by a corporation, partnership, trust, or estate is treated as proportionately owned by the individual owners of such entities.

In order to satisfy the 50% stock ownership test described in (1) above, a foreign corporation must, before filing Form 1120F for the tax year, obtain certain written documentation from the requisite number of its direct and indirect shareholders to show that it meets the test, including a certificate of residency from each foreign individual resident signed by the Competent Authority of the individual's country of residence.

If a foreign corporation is a qualified resident under this test and a portion of its dividend equivalent amount for the tax year is attributable to ECEP earned in prior tax years, the foreign corporation will be entitled to treaty benefits with respect to the entire dividend equivalent amount only if: (1) the foreign corporation was a qualified resident for all tax years within the 36-month period that includes the tax year of the dividend

equivalent amount, or (2) the foreign corporation was a qualified resident for the tax year of the dividend equivalent amount and for the years in which the ECEP included in the dividend equivalent amount were earned. If the foreign corporation fails the 36-month test but is a qualified resident for the tax year, the portion of the dividend equivalent amount attributable to ECEP from any prior tax year will not be entitled to treaty benefits if the foreign corporation was not a qualified resident for the tax year in which the ECEP was earned. Thus, in some instances, more than one rate of tax may apply to the dividend equivalent amount reported on line 5.

b. Publicly traded test.—A foreign corporation meets this test if: (1) its stock is primarily and regularly traded on one or more established securities markets in its country of residence or the United States, or (2) 90% or more of its stock is owned (directly or indirectly) by another corporation that meets the requirements of (1) and is a resident of the same country or is a domestic corporation.

c. Active trade or business test.—A foreign corporation meets this test if it has a substantial presence in its country of residence and its U.S. trade or business is an integral part of an active trade or business conducted by the foreign corporation in its country of residence.

Effect of complete termination. If the foreign corporation has completely terminated its U.S. trade or business (within the meaning of Temporary Regulations section 1.884-2T(a)) during the tax year, enter zero on line 6, and complete Item 7. If, general, a foreign corporation has terminated its U.S. trade or business if it no longer has any U.S. assets, except those retained to pay off liabilities. The foreign corporation (or a related corporation) may not use assets from the terminated U.S. trade or business or the proceeds from their sale in a U.S. trade or business within 3 years after the complete termination.

Coordination With Withholding Tax. In general, if a foreign corporation is subject to the branch profits tax in a tax year, it will not be subject to withholding at source (sections 871(a), 881(a), 1441, or 1442) on dividends paid out of earnings and profits for the tax year.

Part II—Tax on Excess Interest
If a foreign corporation is engaged in a U.S. trade or business or has effectively connected gross income or has U.S. assets, it is subject to the tax on excess interest. Excess interest is defined as the amount of interest allowable to the foreign corporation as a deduction in computing its ECTI under Regulations section 1.882-5 less the amount of interest paid by the U.S. trade or business of the foreign corporation (other than nondeductible interest).

Conductions exempt from the tax on excess interest. See the instructions for line 10 below to determine if the foreign corporation is exempt. If it is exempt from the

tax, and not simply subject to a reduced rate of tax, skip Section II, Part II, but be sure to complete Item 11 at the bottom of page 5 of the form and attach a statement explaining why the corporation is a qualified resident or otherwise qualifies for treaty benefits.

Line 8. Interest paid.—
Banks. In general, interest paid by a U.S. branch of a foreign bank is limited to: (a) interest paid with respect to branch liabilities that are reported to bank regulatory authorities; (b) interest paid with respect to offshore bank branches, if the U.S. branch performs substantially all the activities required to incur the liability; and (c) interest on liabilities that are secured predominantly by U.S. assets or that give rise to certain nondeductible interest (such as capitalized interest) related to U.S. assets.

All other foreign corporations. In general, interest paid by foreign corporations other than banks includes: (a) interest on liabilities on the books and records of the U.S. trade or business for purposes of Regulations section 1.882-5; (b) interest on liabilities that are secured predominantly by U.S. assets or that give rise to certain nondeductible interest (such as capitalized interest) related to U.S. assets; and (c) interest on liabilities identified as liabilities of the U.S. trade or business on or before the earlier of the date on which the first interest payment is made or the due date (including extensions) of the foreign corporation's income tax return for the tax year. However, a liability may not be identified under (c) if the liability is incurred in the ordinary course of the foreign corporation's trade or business, or if the liability is secured predominantly by assets that are not U.S. assets. The amount of interest on liabilities identified in (c) that will be treated as interest paid by the U.S. trade or business is capped at 85% of the amount of interest of the foreign corporation that would be excess interest before taking into account interest on liabilities identified in (c) above. See Notice 89-80, 1989-2 C.B. 394.

Eighty-percent rule. Notwithstanding the above rules for interest paid, if 80% or more of a foreign corporation's assets are U.S. assets, the interest paid by the foreign corporation's U.S. trade or business will generally equal the amount of interest allowable to it as a deduction under Regulations section 1.882-5 (which is the amount on line 7). If this 80% rule applies, check the box on line 8.

Notes: Interest paid by the U.S. trade or business of a foreign corporation is treated as if it were paid by a domestic corporation. A foreign corporation is thus required to withhold on interest paid by its U.S. trade or business to foreign persons (unless the interest is exempt from withholding under a treaty or the Code) and is required to file Forms 1042 and 1042S with respect to the payments as required under Regulations sections 1.1461-2 and 35a.9999-5.

Caution: Special treaty shopping rules apply if the recipient of the interest paid by the U.S. trade or business is a foreign corporation.

Line 9b.—A foreign bank may treat a percentage of its excess interest as if were interest on deposits and thus exempt from tax. Multiply the amount on line 9a by the greater of 85% or the ratio of the foreign bank's worldwide interest-bearing deposits to its worldwide interest-bearing liabilities as of the close of the tax year.

Line 10. Tax on excess interest.—See the instructions for line 6 on page 14 for requirements that must be met in order to qualify for treaty benefits and the definition of qualified resident. If treaty benefits apply, the rate of tax on excess interest is the same rate that would apply to interest paid to the foreign corporation by a wholly owned domestic corporation. The tax on excess interest is not prohibited by any provision in any treaty to which the United States is a party.

Schedules L, M-1, and M-2
A foreign corporation may limit Schedules L, M-1, and M-2 to:

a. The corporation's U.S. assets and its other assets effectively connected with its U.S. trade or business and liabilities reported on its U.S. books and records; and

b. Its effectively connected income and its other U.S. source income.

Do not complete Schedules M-1 and M-2 if total assets at the end of the tax year (line 15, column (d) of Schedule L) are less than \$25,000.

Schedule L—Balance Sheets
Line 5. Tax-exempt securities.—Include:

1. State and local government obligations, the interest on which is excludable from gross income under section 103(a); and

2. Stock in a mutual fund or other regulated investment company that distributed exempt-interest dividends during the tax year of the corporation.

Schedule M-1
Reconciliation of Income or (Loss) per Books With Income per Return

Line 5c. Travel and entertainment expenses.—Include any of the following: 20% of the meals and entertainment not allowed under section 274(n); expenses for the use of an entertainment facility; the part of business gifts over \$25; expenses of an individual in excess of \$2,000, which are allocable to conventions on cruise ships; employee achievement awards over \$400; the cost of entertainment tickets over face value (also subject to the 20% disallowance under section 274(n)); the cost of skyboxes over the face value of nonluxury box seat tickets; the part of the cost of luxury water travel not allowed under section 274(m); expenses for travel as a form of education; and other travel and entertainment expenses not allowed as a deduction.

Line 7a. Tax-exempt interest.—Include any exempt-interest dividends received as a shareholder in a mutual fund or other regulated investment company.

Codes for Principal Business Activity

These codes for the Principal Business Activity are designed to classify enterprises by the type of activity in which they are engaged to facilitate the administration of the Internal Revenue Code. Though similar in format and structure to the Standard Industrial Classification (SIC) codes, they should not be used as SIC codes.

Using the list below, enter on page 1, under Question F, the code number for the

specific industry group from which the largest percentage of "total receipts" is derived. "Total receipts" means gross receipts (line 1a, page 3) plus all other income (lines 4 through 10, page 3).

Also, on page 1, under Question F, state the principal business activity and principal product or service that account for the largest percentage of total receipts. For example, if the principal business activity is "Grain mill

products," the principal product or service may be "Cereal preparations."

If, as its principal business activity, the corporation: (1) purchases raw materials, (2) subcontracts out for labor to make a finished product from the raw materials, and (3) retains title to the goods, the corporation is considered to be a manufacturer and must enter one of the codes (2010 through 3999) under "Manufacturing."

Agriculture, Forestry, and Fishing	Code	Transportation and Public Utilities	Finance, Insurance, and Real Estate
0000 Agricultural production.	2815 Inorganic chemicals, plastic materials and synthetics.	4000 Railroad transportation.	6030 Mutual savings banks.
0000 Agricultural services (except veterinary, forestry, fishing, hunting, and trapping).	2830 Drugs.	4100 Local and interurban passenger transit.	6060 Bank holding companies.
1000 Mining.	2840 Soap, cleaners, and toilet goods.	4200 Trucking and warehousing.	6080 Banks, except mutual savings banks and bank holding companies.
1010 Iron ores.	2850 Paints and allied products.	4400 Water transportation.	6100 Credit agencies other than banks.
1020 Copper, lead and zinc, gold and silver ores.	2860 Agricultural and other chemical products.	4500 Transportation by air.	6120 Savings and loan associations.
1030 Other metal mining.	2870 Petroleum refining (excluding synthetic).	4600 Pipe lines, except natural gas.	6140 Personal credit institutions.
1050 Coal mining.	2880 Other petroleum and coal products.	4700 Miscellaneous transportation services.	6150 Business credit institutions.
1090 Oil and gas extraction.	2890 Petroleum refining (excluding synthetic).	4800 Other electric, gas, and steam services.	6180 Other credit agencies.
1200 Crude petroleum, natural gas, and other hydrocarbons.	2900 Rubber and plastics products.	4900 Electric services.	6210 Security brokers, dealers, and financial companies.
1300 Oil and gas field services.	3000 Rubber products, plastics, footwear, case and lathing.	4910 Electric services.	6220 Security and commodity exchanges, and allied services.
1400 Nonmetallic minerals, except fuels.	3070 Miscellaneous plastics products.	4920 Gas production and distribution.	6350 Life insurance.
1420 Dimensional, crushed and broken stone, sand and gravel.	3100 Leather and leather products.	4930 Communication utility services.	6360 Mutual insurance, except life or marine and certain fire or flood insurance companies.
1430 Other nonmetallic minerals, except fuels.	3140 Footwear, except rubber.	4940 Other utility and other electric services.	6390 Other insurance companies.
2000 Construction.	3180 Other leather and leather products.	5000 Wholesale trade.	6411 Insurance agents, brokers, and service organizations.
2000 General building construction and engineering building.	3190 Blanks, clay, and glass products.	5100 Machinery, equipment, and supplies.	6511 Real estate operators and lessors of buildings.
1510 General building construction.	3225 Stone products.	5200 Motor vehicles and automotive equipment.	6512 Lessors of realty, oil, and similar property.
1531 Operative builders.	3240 Cement, hydraulic.	5300 Furniture and home furnishings.	6513 Lessors of abstract property and other real property.
9800 Heavy construction construction.	3270 Concrete, gypsum, and plaster products.	5330 Lumber and construction materials.	6518 Condominium management and cooperative housing associations.
Special trade contractors.	3279 Other nonmetallic mineral products.	5400 Sporting, recreational, photographic, and hobby goods, toys and supplies.	6550 Subdividers and developers.
1711 Plumbing, heating, and air conditioning.	3300 Primary metal industries.	5500 Electrical goods.	6590 Other real estate.
1712 Electrical, except power.	3310 Nonferrous metal industries.	5510 Hardware, painting and heating equipment and supplies.	Holding and other investment companies, except bank holding companies.
1799 Other special trade contractors.	3320 Ferrous metal industries, except primary metal products.	5590 Other electrical goods.	6740 Real business investment companies.
Manufacturing.	3400 Iron and steel industries.	5600 Apparel, piece goods, and notions.	6749 Other holding and investment companies except bank holding companies.
Food and kindred products.	3410 Meat cans and shipping containers.	5700 Drugs, drug paraphernalia, and fragrances.	7000 Hotels and other lodging places.
2010 Meat products.	3420 Cattle, head tools, and harnesses; sheep machine products, bolls, and other products.	5800 Apparel, piece goods, and notions.	7200 Personal services.
2020 Dairy products.	3430 Poultry and hatching, except electric and warm air.	5900 Furniture and home furnishings.	7310 Advertising.
2030 Preserved fruits and vegetables.	3440 Fabricated structural metal products.	6000 Miscellaneous nondurable goods.	7319 Business services, except advertising.
2040 Grain mill products.	3450 Metal forgings and stampings.	6100 Paper and paper products.	7320 Auto repair and services.
2050 Bakery products.	3470 Coating, engraving, and allied services.	6120 Drugs, drug paraphernalia, and fragrances.	7600 Misc. repair services.
2060 Sugar and confectionery products.	3480 Ordnance and accessories, except vehicles and galled weapons.	6150 Food-product raw materials.	7610 Amusement and recreation services.
2081 Mill liquors and malt.	3490 Misc. fabricated metal products.	6180 Chemicals and allied products.	7611 Motion picture production, distribution, and services.
2089 Alcoholic beverages, except malt liquors and malt.	3500 Farm machinery.	6190 Petroleum and petroleum products.	7612 Motion picture theaters.
2090 Bottled soft drinks, and beverages.	3520 Construction and related machinery.	6200 Alcoholic beverages.	7620 Amusement and recreation services, except motion pictures.
2096 Other food and kindred products.	3530 Metalworking machinery.	6210 Miscellaneous nondurable goods.	8015 Offices of physicians, including osteopathic physicians.
2100 Tobacco manufactures.	3550 Special industry machinery.	6300 Building materials dealers.	8021 Offices of dentists.
Textile mill products.	3559 General industrial machinery.	6321 Hardware stores.	8040 Offices of other health practitioners.
2228 Weaving mills and textile finishing.	3570 Office, computing, and accounting machines.	6325 Hardware stores.	8050 Nursing and personal care facilities.
2230 Knitting mills.	3578 Other electrical equipment.	6326 Garden supplies and mobile home dealers.	8070 Hospitals.
2290 Other textile mill products.	3579 Motor vehicles and equipment.	6327 General merchandise stores.	8071 Medical laboratories.
Apparel and other textile products.	3580 Transportation equipment, except motor vehicles.	6330 Food stores.	8079 Other medical services.
2315 Men's and boys' clothing.	3581 Electrical and electronic equipment.	6400 Other food stores.	8111 Legal services.
2345 Women's and children's clothing.	3582 Household appliances.	6490 Other food stores.	8112 Educational services.
2399 Other apparel and accessories.	3585 Radio, television, and communication equipment.	6515 Motor vehicle dealers.	8300 Social services.
2380 Miscellaneous fabricated textile products.	3590 Electronic components and accessories.	6521 Gasoline service stations.	8600 Membership organizations.
Lumber and wood products.	3598 Other electrical equipment.	6586 Other automotive dealers.	8601 Architectural and engineering services.
2415 Lignin, sawdust, and planing mills.	3599 Motor vehicles and equipment.	6600 Apparel and accessory stores.	8630 Accounting, auditing, and bookkeeping.
2430 Millwork, plywood, and related products.	3700 Aircraft, guided missiles and parts.	6609 Furniture and home furnishings stores.	8690 Miscellaneous services (including veterinarians).
2498 Other wood products, including wood buildings and mobile homes.	3720 Ship and boat building and repairing.	6700 Jewelry and watchmaking stores.	
2500 Furniture and fixtures.	3759 Other transportation equipment, except motor vehicles.	6800 Eating and drinking places.	
Paper and allied products.	Instruments and related products:	6912 Drug stores and proprietary stores.	
2625 Pulp, paper, and board mills.	3815 Scientific instruments and measuring devices, watches and clocks.	6921 Liquor stores.	
2699 Other paper products.	3905 Optical, medical, and ophthalmic goods.	6930 Other retail stores.	
Printing and publishing.	3980 Photographic equipment and supplies.		
2710 Newspapers.	3986 Other manufacturing products.		
2720 Periodicals.			
2730 Books, printing cards, and miscellaneous publishing.			
2790 Printing and allied services.			

For calendar year 1992, or tax year beginning 1992, and ending 1992

1992

Department of the Treasury Internal Revenue Service

Instructions are separate. See page 1 For Paperwork Reduction Act Notice.

A Check if: (1) Consolidated Return (attach Form 851) (2) Nontime insurance companies are included. B Employer identification number. C Date incorporated.

E Check applicable boxes: (1) Final return (2) Change in address (3) Amended return

F Check applicable box if an election has been made under section(s) (1) 953(c)(3)(C) (2) 953(d)

Income section with lines 1-8. 1 Gross premiums, etc., less return premiums, etc. Enter balance. 2 Net decrease, if any, in reserves (see instructions).

Deductions (See instructions for limitations on deductions.) section with lines 9-14. 9 Death benefits, etc. 10 Net increase, if any, in reserves from Schedule F, line 37.

25 Total taxable income. Add lines 22, 23, and 24; however, the total may not be less than line 24. 26 Total tax (Schedule J, line 10).

Tax and Payments section with lines 27a-31. 27a 1991 overpayment credited to 1992. 27b 1992 estimated tax payments. 27c Less 1992 refund applied for on Form 4466.

Please Sign Here section. Signature of officer, Date, Title. Preparer's signature, Date, Check if self-employed, Preparer's social security no., Firm's name (or years if self-employed) and address, E.I. No., ZIP Code.

SCHEDULE A Dividend Income and Dividends-Received Deduction (See instructions.)

Table with columns (a) Dividends received, (b) %, (c) Deduction ((a) times (b)). Rows 1-12 for Dividends subject to proration, and 13-15 for Dividends not subject to proration.

SCHEDULE B Gross Investment Income (Section 812(d)) (See instructions.)

Table with columns 1-12. 1 Interest (excluding tax-exempt interest and interest on ESOP loans). 2 Gross taxable dividends from Schedule A, line 15, column (a).

SCHEDULE C Differential Earnings Amount—Mutual Companies Only (Section 809)

Table with columns (a) End of preceding tax year, (b) End of this tax year. Rows 1-12. 1 Annual statement surplus and capital. 2 Nonadmitted financial assets (attach schedule).

SCHEDULE E Policyholder Dividends (Section 808)

1	Amounts paid or accrued	1	
2	Excess interest	2	
3	Premium adjustments	3	
4	Experience-rated refunds	4	
5	Total. Add lines 1 through 4	5	
6	Differential earnings amount for mutual companies only, from Schedule C, line 13	6	
7	Deductible policyholder dividends. Subtract line 6 from line 5, but not less than zero. Enter here and on page 1, line 12 and on Schedule F, line 18	7	
8	Adjustment to reserves of mutual insurance company (excess of line 6 over line 5). Enter here and on Schedule F, line 36	8	
9	Deductible percentage. Divide line 7 by line 5	9	%

SCHEDULE F Increase (Decrease) in Reserves (Section 807) And Company/Policyholder Share Percentage (Section 812) (See instructions.)

	(a) Beginning of tax year	(b) End of tax year
1	Life insurance reserves	1
2	Unearned premiums and unpaid losses	2
3	Supplementary contracts	3
4	Dividend accumulations and other amounts	4
5	Advance premiums	5
6	Special contingency reserves	6
7	Total. Add lines 1 through 6	7
8	Increase (decrease) in reserves under Section 807. Subtract column (a) from column (b)	8
9	Gross investment income from Schedule B, line 12	9
10a	Required interest on reserves under sections 807(c)(1), (3), (4), (5), and (6) (attach schedule)	10a
b	Deductible excess interest (Schedule E, line 2 times Schedule E, line 9). Enter here and on line 19 below	10b
c	Deductible amounts credited to employee pension funds	10c
d	Deductible amounts credited to deferred annuities	10d
e	Deductible interest on amounts left on deposit	10e
f	Total policy interest. Add lines 10a through 10e. Enter here and on line 26 below	10f
11	Subtract line 10f from line 9	11
12	Life insurance company gross income from page 1, line 8	12
13	Tax-exempt interest from Schedule B, line 9	13
14	Add lines 12 and 13	14
15	Increase in reserves from line 8 above. (If a decrease in reserves, enter "0").	15
16	Subtract line 15 from line 14	16
17	Investment income ratio. Divide line 11 by line 16	17
18	Deductible policyholder dividends from Schedule E, line 7	18
19	Deductible excess interest from line 10b above	19
20	Deductible dividends on employee pension funds	20
21	Deductible dividends on deferred annuities	21
22	Deductible premium and mortality charges for contracts paying excess interest	22
23	Add lines 19 through 22	23
24	Subtract line 23 from line 18	24
25	Investment portion of dividends. Line 17 times line 24	25
26	Policy interest from line 10f above	26
27	Policyholder share amount. Add lines 25 and 26	27
28	Net investment income (see instructions)	28
29	Policyholder share amount from line 27 above	29
30	Company share of net investment income. Subtract line 29 from line 28	30
31	Total share percentage	31
32	Company share percentage. Divide line 30 by line 28. Enter here and on Schedule A, line 11	32
33	Policyholders' share percentage. Subtract line 32 from line 31	33
34	Policyholders' share of tax-exempt interest. Multiply line 13 above by line 33	34
35	Subtract line 34 from line 8	35
36	Adjustment to reserves of mutual insurance company per section 809(a)(2) from Schedule E, line 8	36
37	Net increase (decrease) in reserves. Subtract line 36 from line 35. If an increase, enter here and on page 1, line 10. If a decrease, enter here and on page 1, line 2	37

SCHEDULE G Small Life Insurance Company Deduction (Section 806(a))—If total assets (Schedule K, line 6, column (b)), are \$500 million or more, complete lines 8 through 12, line 16, and enter zero on line 17. (See instructions.)

Part I—Controlled Group Information

Company	Tentative LICTI	
	(a) Income	(b) Loss
1		
2		
3		
4		
5		
6	Total. Add lines 1 through 5 in both columns	
7	Net controlled group tentative LICTI. Subtract line 6, column (b) from line 6, column (a). Enter here and on line 11 below	

Part II—Small Life Insurance Company Deduction

8	Gain or (loss) from operations from page 1, line 20	8
9a	Noninsurance income	9a
b	Noninsurance deductions	9b
10a	Gain or (loss) on insurance operations. Subtract line 9a from line 8 and add line 9b.	10a
b	Adjustments (attach schedule)	10b
c	Tentative LICTI. Combine lines 10a and 10b	10c
11	Net controlled group tentative LICTI from line 7, above	11
12	Combined tentative LICTI. Add line 10c and line 11. If \$15 million or more, skip lines 13 through 15. Enter zero on line 17 below and on page 1, line 21	12
13	Enter 60% of line 12, but not more than \$1,800,000	13
14a	Maximum statutory amount	14a
b	Subtract line 14a from line 12. If zero or less, enter -0-	14b
c	Enter 15% of line 14b, but not more than \$1,800,000	14c
15	Tentative small life insurance company deduction. Subtract line 14c from line 13	15
16	Taxpayer's share. Divide line 10c by the total of line 6, column (a) and line 10c. If line 10c is zero or less, enter -0- on this line	16
17	Allowable small life insurance company deduction. Line 16 times line 15. Enter here and on page 1, line 21 and on Schedule I, line 2b, Part I	17

SCHEDULE H Limitation on Noninsurance Losses (Section 806(b)(3)(C))

1	Noninsurance income (attach schedule)	1
2	Noninsurance deductions (attach schedule)	2
3	Noninsurance operations loss deductions	3
4	Add lines 2 and 3	4
5	Noninsurance loss. Subtract line 1 from line 4. If line 1 is greater than line 4, skip lines 5 through 8, and enter zero on line 9	5
6	Enter 35% of line 5	6
7	Enter 35% of the excess of LICTI (page 1, line 22) over any noninsurance loss included on page 1	7
8	Enter the lesser of line 6 or line 7	8
9	Limitation on noninsurance losses. Subtract line 8 from line 5. Enter here and on page 1, line 23	9

SCHEDULE I Part I—Shareholders Surplus Account—Stock Companies Only (Section 815(c))

1a	Balance at the beginning of the tax year	1a	
b	Transfers under pre-1984 sections 815(d)(1) and (4) for the preceding year	1b	
c	Balance at the beginning of the tax year. Add lines 1a and 1b	1c	
2a	LICIT. Add lines 22 and 23, page 1. If zero or less, enter -0-	2a	
b	Small life insurance company deduction from Schedule G, line 17	2b	
c	Dividends-received deduction from Schedule A, line 15, column (c)	2c	
d	Tax-exempt interest from Schedule B, line 9	2d	
3	Total. Add lines 1c through 2d	3	
4	Tax liability without regard to section 815. Figure the tax on line 2a as if it were total taxable income	4	
5	Subtract line 4 from line 3. If zero or less, enter -0-	5	
6	Direct or indirect distributions in the tax year but not more than line 5	6	
7	Balance at the end of the tax year. Subtract line 6 from line 5	7	

Part II—Policyholders Surplus Account—Stock Companies Only (Section 815(d)) (See instructions.)

8	Balance at the beginning of the tax year	8	
9a	Direct or indirect distributions in excess of the amount on line 5, Part I above	9a	
b	Tax increase on line 9a	9b	
c	Subtractions from account under pre-1984 sections 815(d)(1) and (4)	9c	
d	Tax increase on line 9c	9d	
e	Subtraction from account under pre-1984 section 815(d)(2)	9e	
10	Total. Add lines 9a through 9e, but not more than line 8. Enter here and on page 1, line 24	10	
11	Balance at the end of the tax year. Subtract line 10 from line 8	11	

SCHEDULE J Tax Computation (See instructions.)

1	Check if the corporation is a member of a controlled group (see sections 1561 and 1563)	<input type="checkbox"/>	
2	If the box on line 1 is checked:		
a	Enter the corporation's share of the \$50,000 and \$25,000 taxable income bracket amounts (in that order): (i) \$ _____ (ii) \$ _____		
b	Enter the corporation's share of the additional 5% tax (not to exceed \$11,750)	\$ _____	
3	Income tax	3	
4a	Foreign tax credit (attach Form 1118)	4a	
b	Other credits (see instructions)	4b	
c	General business credit. Enter here and check which forms are attached: <input type="checkbox"/> Form 3800 <input type="checkbox"/> Form 3468 <input type="checkbox"/> Form 5884 <input type="checkbox"/> Form 6478 <input type="checkbox"/> Form 6765 <input type="checkbox"/> Form 8586 <input type="checkbox"/> Form 8830 <input type="checkbox"/> Form 8826	4c	
d	Credit for prior year minimum tax (attach Form 8827)	4d	
5	Total credits. Add lines 4a through 4d	5	
6	Subtract line 5 from line 3	6	
7	Foreign corporations—tax on income not connected with U.S. business	7	
8	Recapture taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611	8	
9a	Alternative minimum tax (attach Form 4626)	9a	
b	Environmental tax (attach Form 4626)	9b	
10	Total tax. Add lines 6 through 9b. Enter here and on page 1, line 26	10	

SCHEDULE K Part I—Total Assets (Section 806(a)(3)(C))

	(a) As of Beginning of Tax Year	(b) As of Close of Tax Year
1	Real property	1
2	Stocks	2
3	Proportionate share of partnership and trust assets	3
4	Other assets (attach schedule)	4
5	Total assets of controlled groups	5
6	Total assets. Add lines 1 through 5	6

SCHEDULE K Part II—Total Assets and Total Insurance Liabilities (Section 842(b)(2)(B)(i))

Line references are to the "Assets" (lines 1 and 2) and "Liabilities, Surplus, and Other Funds" (lines 3 through 16) Sections of the NAIC Annual Statement.

	(a) As of Beginning of Tax Year	(b) As of Close of Tax Year
1	Subtotals for Assets (line 22)	1
2	Total Assets (line 24)	2
3	Reserve for life policies and contracts (line 1)	3
4	Reserve for accident and health policies (line 2)	4
5	Supplementary contracts without life contingencies (line 3)	5
6	Life policy and contract claims (line 4.1)	6
7	Accident and health policy and contract claims (line 4.2)	7
8	Policyholder's dividend and coupon accumulations (line 5)	8
9	Premiums and annuity considerations received in advance less discount (line 9)	9
10	Policyholder premiums (line 10.1)	10
11	Guaranteed interest contracts (line 10.2)	11
12	Other contract deposit funds (line 10.3)	12
13	Surrender values on cancelled policies (line 11.1)	13
14	Part of other amounts payable on reinsurance assumed (line 11.3)	14
15	Part of aggregate write-ins for liabilities (line 25). (Only include items or amounts includable in "total insurance liabilities on U.S. business" as defined in section 842(b)(2)(B)(i))	15
16	Separate accounts statement (line 27)	16
17	Total insurance liabilities. Add lines 3 through 16	17

SCHEDULE L Other Information (See instructions.)

	Yes	No		Yes	No
1 Check method of accounting: a <input type="checkbox"/> Accrual b <input type="checkbox"/> Other (specify)			b the total value of all classes of stock of the corporation?		
2 Check if the corporation is a: a <input type="checkbox"/> Legal reserve company—if checked: Kind of company: (1) <input type="checkbox"/> Stock (2) <input type="checkbox"/> Mutual Principal business: (1) <input type="checkbox"/> Life insurance (2) <input type="checkbox"/> Health and accident insurance b <input type="checkbox"/> Fraternal or assessment association c <input type="checkbox"/> Burial or other insurance company			If "Yes," (1) Enter percentage owned ▶ (2) Enter owner's country ▶		
3 Enter the percentage that the total of the corporation's life insurance reserves (section 816(b)) plus unearned premiums and unpaid losses (whether or not ascertained) on noncancelable life, health or accident policies not included in life insurance reserves bears to the corporation's total reserves (section 816(c)) %.			The corporation may have to file Form 5472. (See page 15 for penalties that may apply.) Enter number of Forms 5472 attached ▶		
Attach a schedule of the computation.			8 Was the corporation a U.S. shareholder of any controlled foreign corporation? (See sections 951 and 957.)		
4 Does the corporation have any variable annuity contracts outstanding?			If "Yes," attach Form 5471 for each such corporation. Enter number of Forms 5471 attached ▶		
5 Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing: a Name and identifying number; b Percentage owned; and c Taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year.			9 At any time during the 1992 calendar year, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," the corporation may have to file Form TD F 90-22.1.) If "Yes," enter the name of foreign country. ▶		
6 Did any individual, partnership, corporation, estate, or trust at the end of the tax year own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) If "Yes," complete a, b, and c below.			10 Was the corporation the grantor of, or transferor to, a foreign trust that existed during the current tax year, whether or not the corporation has any beneficial interest in it? If "Yes," the corporation may have to file Forms 926, 3520, or 3520-A.		
a Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group?			11 Has the corporation elected to use its own payout pattern for discounting unpaid losses and unpaid loss adjustment expenses?		
b Enter the name and identifying number of the parent corporation or other entity with 50% or more ownership ▶			12 Does the corporation discount any of the loss reserves shown on its annual statement?		
c Enter percentage owned ▶			13a Enter the total unpaid losses shown on the corporation's annual statement: (1) for the current year: \$ (2) for the previous year: \$		
7 Did one foreign person at any time during the tax year own, directly or indirectly, at least 25% of the total voting power of all classes of stock of the corporation entitled to vote, or			b Enter the total unpaid loss adjustment expenses shown on the corporation's annual statement: (1) for the current year: \$ (2) for the previous year: \$		
			14 If the corporation has a loss from operations for the tax year and is electing, under section 810(b)(3) to forgo the carryback period, check here ▶ <input type="checkbox"/>		

SCHEDULE M Reconciliation (See instructions.)

1992



Department of the Treasury
Internal Revenue Service

Instructions for Form 1120L

U.S. Life Insurance Company Income Tax Return

(Section references are to the Internal Revenue Code, unless otherwise noted.)

Paperwork Reduction Act Notice—We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

- Recording keeping 76 hr., 17 min.
- Learning about the law or the form 24 hr., 37 min.
- Preparing the form 39 hr., 59 min.
- Copying, assembling, and sending the form to the IRS 3 hr., 45 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. You can write to both the Internal Revenue Service, Washington, DC 20224. Attention: IRS Reports Clearance Officer, TFP; and the Office of Management and Budget, Paperwork Reduction Project (1545-0128), Washington, DC 20503.

DO NOT send the tax form to either of these offices. Instead, see **Where To File**, on page 2.

Important Change

Form 1120L has been revised to allow it to be completed in a more logical sequence. See the chart below for a comparison of the old and new line and schedule designations.

1991 version	1992 version
Page 1, Lines 1-4	Page 1, Lines 22-25
Lines 5-12b	Schedule J
Lines 13-19	Page 1, Lines 26-31
Schedule A	Page 1, Lines 1-22
Schedule B, Lines 1-8	Schedule F, Lines 1-8
Schedule B, Lines 9-12	Schedule F, Lines 34-37
Schedule C	Schedule B
Schedule E	Schedule E
Schedule F	Schedule C
Schedule G	Schedule A

Schedule H	Schedule G, Lines 8-17
Schedule I	Schedule G, Lines 1-7
Schedule K, Part I & Part II	Schedule F, Lines 9, 10f-33
Schedule L	Schedule F, Lines 10a-10e
Schedule M	Schedule I, Part I
Schedule N	Schedule I, Part II
Schedule O, Part I	Schedule K, Part I
Schedule O, Part II	Schedule K, Part II
Schedule P	Schedule H
Schedule Q	Schedule L
Schedule R	Schedule M
Schedule S	Covered in instructions

General Instructions

Purpose of Form

Form 1120L, U.S. Life Insurance Company Income Tax Return, is used to report income, gains, losses, deductions, credits, and to figure the income tax liability of life insurance companies.

Who Must File—Every domestic life insurance company and every foreign corporation carrying on an insurance business in the U.S. that would qualify as a life insurance company if it were a U.S. corporation must file Form 1120L. This includes organizations described in section 501(m)(1) that provide commercial-type life insurance.

"Insurance company" means any corporation if more than half of its business during the tax year is from the issuance of insurance or annuity contracts or the reinsuring of risks underwritten by insurance companies.

A "life insurance company" is an insurance company in the business of issuing life insurance and annuity contracts either separately or combined with health and accident insurance, or noncancelable contracts of health and accident insurance that meets the reserves test specified in section 816(a). Guaranteed renewable life, health, and accident insurance that the corporation cannot cancel but reserves the right to adjust premium rates by classes, according to experience under the kind of policy involved, are treated as noncancelable.

The reserves test requires that life insurance reserves, as defined in section

816(b), plus unearned premiums and unpaid losses (whether or not ascertained) on noncancelable life, health, or accident policies not included in life insurance reserves, must make up more than 50% of total reserves as defined in section 816(c). In determining whether a corporation meets the reserves test, the following modifications must be made: (1) life insurance reserves and total reserves must each be reduced by an amount equal to the mean of the aggregates, at the beginning and end of the tax year, of the policy loans outstanding with respect to contracts for which life insurance reserves are maintained; (2) amounts set aside and held at interest to satisfy obligations under contracts which do not contain permanent guarantees with respect to life, accident, or health contingencies must not be included in either life insurance reserves (section 816(c)(1)) or other reserves required by law (section 816(c)(3)); and (3) deficiency reserves must not be included in either life insurance reserves or total reserves.

Mutual savings banks conducting life insurance business—Mutual savings banks conducting life insurance business and meeting the requirements of section 594 are subject to an alternative tax consisting of the sum of: (1) a partial tax computed on Form 1120, U.S. Corporation Income Tax Return, on the taxable income of the bank determined without regard to income or deductions allocable to the life insurance department, and (2) a partial tax on the taxable income computed on Form 1120L of the life insurance department. Enter the combined tax on line 3 of Schedule J, Form 1120. Attach and identify Form 1120L as a schedule.

Foreign life insurance companies—A foreign life insurance company that sells a U.S. real property interest must file Form 1120L and Schedule D (Form 1120) to report the sale. Gain or loss from the sale of a U.S. real property interest is considered effectively connected with the conduct of a U.S. business, even though the foreign life insurance company does not carry on any insurance business in the U.S. and is not otherwise required to file a U.S. income tax return.

Insurance companies other than life insurance companies—Insurance companies, other than life insurance

companies, should file Form 1120-PC, U.S. Property and Casualty Insurance Company Income Tax Return. A burial or funeral benefit insurance company that directly manufactures funeral supplies or performs funeral services is taxable under section 831 and should file Form 1120-PC.

When To File

In general, a corporation must file its income tax return by the 15th day of the 3rd month after the end of the tax year. A new corporation filing a short-period return must generally file by the 15th day of the 3rd month after the short period ends. A corporation that has dissolved must generally file by the 15th day of the 3rd month after the date of dissolution. A foreign corporation that does not maintain an office or place of business in the U.S. has until the 15th day of the 6th month after the end of its tax year to file.

Extension—File Form 7004, Application for Automatic Extension of Time To File Corporation Income Tax Return, to request a 6-month extension of time to file.

Where To File

If the corporation's principal business, office, or agency is located in	Use the following Internal Revenue Service Center address
New Jersey, New York (New York City and counties of Nassau, Rockland, Suffolk, and Westchester)	Hotsville, NY 00501
New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	Andover, MA 05501
Florida, Georgia, South Carolina	Atlanta, GA 39901
Indiana, Kentucky, Michigan, Ohio, West Virginia	Cincinnati, OH 45999
Kansas, New Mexico, Oklahoma, Texas	Austin, TX 73301
Alaska, Arizona, California (counties of Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba), Colorado, Idaho, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming	Ogden, UT 84201

California (all other counties), Hawaii	Fresno, CA 93888
Illinois, Iowa, Minnesota, Missouri, Wisconsin	Kansas City, MO 64999
Alabama, Arkansas, Louisiana, Mississippi, North Carolina, Tennessee	Memphis, TN 37501
Delaware, District of Columbia, Maryland, Pennsylvania, Virginia	Philadelphia, PA 19255

Corporations having their principal place of business outside the United States or claiming a possessions corporation tax credit (section 936) must file with the Internal Revenue Service Center, Philadelphia, PA 19255.

A group of corporations located in several service center regions will often keep all the books and records at the principal office of the managing corporation. If this is the case, the income tax returns of the corporations may be filed with the service center region in which this principal office is located.

Who Must Sign

The return must be signed and dated by the president, vice-president, treasurer, assistant treasurer, chief accounting officer, or any other corporate officer (such as tax officer) authorized to sign. Receivers, trustees, or assignees must sign and date any return filed on behalf of a corporation.

If a corporate officer completes Form 1120L, the Paid Preparer's space should remain blank. Anyone who prepares Form 1120L but does not charge the corporation should not sign the return. Generally, anyone who is paid to prepare the return must sign it and fill in the Paid Preparer's Use Only area.

The paid preparer MUST complete the required preparer information and:

- Sign the return, by hand, in the space provided for the preparer's signature (signature stamps and labels are not acceptable).
- Give a copy of the return to the taxpayer.

Accounting methods

The return must be filed using the accrual method of accounting or, to the extent permitted under regulations, a combination of the accrual method with any other method, except the cash receipts and disbursements method.

Generally, the corporation may change the method of accounting used to report taxable income (for income as a whole or for any material item) only by getting consent on Form 3115, Application for Change in Accounting Method. For more information, see Pub. 538, Accounting Periods and Methods.

An accrual basis taxpayer can deduct accrued expenses in the tax year in

which all events that determine the liability have occurred, the amount of the liability can be figured with reasonable accuracy, and economic performance takes place with respect to the expense. There are exceptions for recurring items. See section 461(h) and the related regulations for more information.

Rounding Off to Whole-Dollars—The corporation may show amounts on the return and accompanying schedules as whole-dollars. To do so, drop any amount less than 50 cents and increase any amount from 50 cents through 99 cents to the next higher dollar.

Recordkeeping

The corporation's records should be kept for as long as they may be needed for the administration of any provision of the Internal Revenue Code. Usually, records that support an item of income, deduction, or credit on the return must be kept for 3 years from the date the return is due or filed, whichever is later. Keep records that verify the corporation's basis in property for as long as they are needed to figure the basis of the original or replacement property.

The corporation should also keep copies of any returns it has filed. They help in preparing future returns and in making computations when filing an amended return.

Depositary Method of Tax Payment—The corporation must pay the tax due in full no later than the 15th day of the 3rd month after the end of the tax year. Deposit corporation income tax payments (and estimated tax payments) with Form 8109, Federal Tax Deposit Coupon. Do not send deposits directly to an IRS office. Mail or deliver the completed Form 8109 with the payment to a qualified depository for Federal taxes or to the Federal Reserve Bank (FRB) servicing the corporation's geographic area. Make checks or money orders payable to that depository or FRB.

To help ensure proper crediting, write the corporation's employer identification number, the tax period to which the deposit applies, and "Form 1120L" on the check or money order. Be sure to darken the "1120" box on the coupon. These records of deposits will be sent to the IRS.

A penalty may be imposed if the deposits are mailed or delivered to an IRS office rather than to an authorized depository or FRB.

For more information on deposits, see the instructions in the coupon booklet (Form 8109) and Pub. 583, Taxpayers Starting a Business.

Caution: If the corporation owes tax when it files Form 1120L, do not include the payment with the tax return. Instead,

mail or deliver the payment with Form 8109 to a qualified depository or FRB.

Estimated Tax Payments.—Generally, a corporation must make installment payments of estimated tax if it expects its estimated tax (income tax minus credits) to be \$500 or more. For a calendar or fiscal year corporation, the installments are due by the 15th day of the 4th, 6th, 9th, and 12th months of the tax year. If any date falls on a Saturday, Sunday, or legal holiday, the installment is due on the next regular workday. Use Form 1120-W, Corporation Estimated Tax, as a worksheet to compute estimated tax. Use the deposit coupons (Form 8109) to make deposits of estimated tax. For more information on estimated tax payments, including penalties that apply if the corporation fails to make required payments, see the instructions for line 28 on page 8.

If the corporation overpaid estimated tax, it may be able to get a "quick refund" by filing Form 4466, Corporation Application for Quick Refund of Overpayment of Estimated Tax. The overpayment must be at least 10% of the expected income tax liability, and at least \$500. To apply for a quick refund, file Form 4466 before the 16th day of the 3rd month after the end of the tax year, but before the corporation files its income tax return. Do not file Form 4466 before the end of the corporation's tax year.

Caution: Foreign insurance companies see Notice 90-13, 1990-1 C.B. 321, before computing estimated tax.

Interest and Penalties

Interest.—Interest is charged on taxes not paid by the due date, even if an extension of time to file is granted. Interest is also charged on penalties imposed for failure to file, negligence, fraud, gross valuation overstatements, and substantial understatements of tax from the due date (including extensions) to the date of payment. The interest charge is figured at a rate determined under section 6621.

Late filing of return.—A corporation that does not file its tax return by the due date, including extensions, may have to pay a penalty of 5% of the unpaid tax for each month or part of a month the return is late, up to a maximum of 25% of the unpaid tax. The minimum penalty for a return that is more than 60 days late is the smaller of the tax due or \$100. The penalty will not be imposed if the corporation can show that the failure to file on time was due to reasonable cause. Corporations that file late must attach a statement explaining the reasonable cause.

Late payment of tax.—A corporation that does not pay the tax when due may have to pay a penalty of 1/2 of 1% of the unpaid tax for each month or part of a

month the tax is not paid, up to a maximum of 25% of the unpaid tax. This penalty may also apply to any additional tax not paid within 10 days of the date of the notice and demand for payment. The penalty will not be imposed if the corporation can show that the failure to pay on time was due to reasonable cause.

Other penalties.—Other penalties can be imposed for negligence, substantial understatement of tax, and fraud. See sections 6662 and 6663.

Unresolved Tax Problems

The IRS has a Problem Resolution Program for taxpayers who have been unable to resolve their problems with the IRS. If the corporation has a tax problem it has been unable to resolve through normal channels, write to the corporation's local IRS district director or call the corporation's local IRS office or call for Problem Resolution Assistance. Hearing-impaired persons who have access to TDD equipment may call 1-800-829-4059 to ask for help. The Problem Resolution office will ensure that your problem receives proper attention. Although the office cannot change the tax law or make technical decisions, it can help clear up problems that resulted from previous contacts.

Other Forms, Returns, and Statements That May Be Required

Forms.—The corporation may have to file the following:

Form W-2, Wage and Tax Statement; and **Form W-3, Transmittal of Income and Tax Statements.**

Form 940 or Form 940-EZ, Employer's Annual Federal Unemployment (FUTA) Tax Return. The corporation may be liable for FUTA tax and may have to file Form 940 or 940-EZ if it paid wages of \$1,500 or more in any calendar quarter or one or more employees worked for the corporation for some part of a day in any 20 different weeks during the calendar year.

Form 941, Employer's Quarterly Federal Tax Return. Employers must file this form quarterly to report income tax withheld and employer and employee social security and Medicare taxes.

Caution: A 100% penalty may apply if income, social security, and Medicare taxes that must be withheld are not withheld or are not paid to the IRS. The penalty is 100% of the unpaid taxes. The 100% penalty may be imposed on all persons who are determined by the IRS to be responsible for collecting, accounting for, and paying over these taxes, and who acted willfully in not doing so. See Circular E, Employer's

Tax Guide, for details including the definition of responsible person.

Form 966, Corporate Dissolution or Liquidation.

Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons, and Form 1042S, Foreign Person's U.S. Source Income Subject to Withholding. Use these forms to report and transmit withheld tax on payments or distributions made to nonresident alien individuals, foreign partnerships, or foreign corporations to the extent such payments or distributions constitute gross income from sources within the U.S. (see sections 861 through 865). For more information, see sections 1441 and 1442, and Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations.

Form 1096, Annual Summary and Transmittal of U.S. Information Returns.

Form 1099, Mortgage Interest Statement. This form is used to report the receipt from any individual of \$600 or more of mortgage interest and points in the course of the corporation's trade or business for any calendar year.

Forms 1099-A, B, DIV, INT, MISC, OID, PATR, R, and S. These information returns are for reporting abandonments, acquisitions through foreclosure, proceeds from brokers and barter exchange transactions, certain dividends and distributions, interest payments, payments for certain fishing boat crew members, medical and dental health care payments, direct sales of consumer goods for resale, miscellaneous income payments, nonemployee compensation, original issue discount, patronage dividends, distributions from profit-sharing plans, retirement plans, individual retirement arrangements, insurance contracts, etc., and proceeds from real estate transactions. Also use these returns to report amounts that were received as a nominee on behalf of another person.

For more information, see the instructions to Form 1099, and Pub. 937, Employment Taxes and Information Returns.

Caution: Every corporation must file Form 1099-MISC if, in the course of its trade or business, it makes payments of rents, commissions, or other fixed or determinable income (see section 6041) totaling \$600 or more to any one person during the calendar year.

Form 5452, Corporate Report of Nondividend Distributions.

Form 5498, Individual Retirement Arrangement Information. Use this form to report contributions (including rollover contributions) to an individual retirement arrangement (IRA) and the value of an IRA or simplified employee pension (SEP) account.

Form 5713, International Boycott Report, for persons having operations in or related to "boycotting" countries. Also, persons who participate in or cooperate with an international boycott may have to complete Schedule A or Schedule B and Schedule C of Form 5713 to compute their loss of the following items: the foreign tax credit, the deferral of earnings of a controlled foreign corporation, IC-DISC benefits, and FSC benefits.

Form 8264, Application for Registration of a Tax Shelter. This form is used by tax shelter organizers to register tax shelters with the IRS for the purpose of receiving a tax shelter registration number.

Form 8271, Investor Reporting of Tax Shelter Registration Number. Taxpayers who have acquired an interest in a tax shelter, which is required to be registered, use this form to report the tax shelter's registration number. Form 8271 must be attached to any tax return (including an application for tentative refund (Form 1139) or an amended return) on which a deduction, credit, loss, or other tax benefit attributable to a tax shelter is taken, or any income attributable to a tax shelter is reported.

Form 8275, Disclosure Statement. Form 8275 is used by taxpayers and income tax return preparers to disclose items or positions, except those contrary to a regulation (see Form 8275-R, below), that are not otherwise adequately disclosed on a tax return. The disclosure is made to avoid parts of the accuracy-related penalty imposed for negligence, disregard of rules, or substantial understatement of tax. Form 8275 is also used for disclosures relating to preparer penalties for understatements due to unrealistic positions or for willful or reckless conduct.

Form 8275-R, Regulation Disclosure Statement, is used to disclose any item on a tax return for which a position has been taken that is contrary to Treasury regulations.

Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments. This form is generally required to be filed by issuers of public offerings of debt instruments within 30 days of the issuance of the debt instrument.

Form 8300, Report of Cash Payments Over \$10,000 Received in a Trade or Business. Generally, this form is used to report the receipt of more than \$10,000 in cash or foreign currency in one transaction (or a series of related transactions).

After February 2, 1992, cashier's checks, bank drafts, and money orders with face amounts of \$10,000 or less are considered cash under certain circumstances. For more information,

see Form 8300 and Regulations section 1.60501-1(c).

Form 8390, Information Return for Determination of Life Insurance Company Earnings Rate Under Section 809. This form is filed by all mutual life insurance companies and the 50 largest stock life insurance companies, as determined by the Secretary, to gather information to compute the "differential earnings rate."

Form 8594, Asset Acquisition Statement, is to be filed by both the purchaser and seller of a group of assets constituting a trade or business if goodwill or a going concern value attaches, or could attach, to such assets and if the purchaser's basis in the assets is determined only by the amount paid for the assets.

Form 8816, Special Loss Discount Account and Special Estimated Tax Payments for Insurance Companies. This form must be filed by any insurance company that elects to take an additional deduction under section 847.

Consolidated Returns.—If an affiliated group of corporations includes one or more domestic life insurance companies taxed under section 801, the common parent may elect to treat those life insurance companies as includible corporations. The life insurance companies must have been members of the group for the 5 tax years immediately preceding the tax year for which the election is made. See section 1504(c)(2) and Regulations section 1.1502-47(d)(12).

Note: If an election under section 1504(c)(2) is in effect for an affiliated group for the tax year, all items of members of the group that are not life insurance companies must not be taken into account in figuring the tentative LICI of members that are life insurance companies.

The parent corporation of an affiliated group of corporations must attach Form 851, Affiliations Schedule, to the consolidated return. For the first year a consolidated return is filed, each subsidiary must attach Form 1122, Authorization and Consent of Subsidiary Corporation to be Included in a Consolidated Income Tax Return.

File supporting statements for each corporation included in the consolidated return. Use columns to show the following, both before and after adjustments:

- Items of gross income and deductions.
- A computation of taxable income.
- Balance sheets as of the beginning and end of the tax year.
- A reconciliation of income per books with income per return.
- A reconciliation of retained earnings.

Attach consolidated balance sheets and a reconciliation of consolidated retained earnings.

Note: If a non-life insurance company is a member of an affiliated group, file Form 1120-PC as an attachment to the consolidated return in lieu of filing a supporting statement. Write across the top of page 1 of Form 1120-PC, "Supporting Statement to Consolidated Returns."

Pension, Profit-Sharing, etc. Plans.—Employers who maintain a pension, profit-sharing, or other funded deferred compensation plan generally must file one of the forms listed below, even if the plan is not a "qualified" plan under the Internal Revenue Code. The filing requirement applies even if the corporation does not claim a deduction for the current tax year. There are penalties for failure to file these forms on time and for overstating the pension plan deduction. See sections 6652(e) and 6662(f).

Form 5500.—Complete this form for each plan with 100 or more participants.

Form 5500-C/R.—Complete this form for each plan with fewer than 100 participants.

Form 5500-EZ.—Complete this form for a one-participant plan. The term "one-participant plan" also means a plan that covers the owners and their spouses or a plan that covers partners in a business partnership (or the partners and their spouses).

Statements

NAIC Annual Statement.—Regulations section 1.6012-2(c) requires that the NAIC Annual Statement be filed with Form 1120L. A late filing of return penalty may be imposed for not including the annual statement when the return is filed.

Stock ownership in foreign corporations.—Attach the statement required by section 551(c) if (a) the corporation owned 5% or more in value of the outstanding stock of a foreign personal holding company and (b) the corporation was required to include in its gross income any undistributed foreign personal holding company income.

A corporation may have to file Form 5471, Information Return of U.S. Persons With Respect to Certain Foreign Corporations, if any of the following applies:

1. It controls a foreign corporation.
2. It acquires, disposes of, or owns 5% or more in value of the outstanding stock of a foreign corporation.
3. It is a 10% shareholder of a foreign personal holding company.
4. It owns stock in a foreign corporation that is a controlled foreign corporation for an uninterrupted period of 30 days or more during the tax year.

of the foreign corporation that ends with or within its tax year, and it owned that stock on the last day of the foreign corporation's tax year.

Foreign ownership in a domestic corporation.—A domestic corporation that is 25% or more foreign-owned or a foreign corporation that is engaged in a trade or business in the United States may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. See the instructions on page 15 for more information.

Transfers to a corporation controlled by the transferor.—If a person receives stock of a corporation in exchange for property, and no gain or loss is recognized under section 351, the person (transferor) and the transferee must attach to their respective tax returns the information required by Regulations section 1.351-3.

Attachments.—Attach Form 4136, Credit for Federal Tax Paid on Fuels, after page 7. Attach schedules in alphabetical order and other forms in numerical order after Form 4136.

To assist us in processing the return, please complete every applicable entry space on Form 1120L. Do not write "See attached" instead of completing the entry spaces. If you need more space on the forms or schedules, attach separate sheets and show the same information in the same order as on the printed forms. But show totals on the printed forms. Please use sheets that are the same size as the forms and schedules. Attach these separate sheets after all the schedules and forms. Be sure to put the corporation's name and EIN on each sheet.

Specific Instructions

Period Covered.—File the 1992 return for calendar year 1992. Section 843 requires all insurance companies to file on a calendar year basis, unless they join in the filing of a consolidated return. If a consolidated return is filed, the parent corporation's return would indicate the period covered.

Name, Address, and Employer Identification Number (EIN)

Use the label on the package that was mailed to the corporation. Cross out any errors and print the correct information on the label. If the corporation doesn't have a label, print or type the corporation's true name (as set forth in the charter or other legal document creating it), address, and EIN on the appropriate lines.

Address.—Include the suite, room, or other unit number after the street address. If the Post Office does not deliver mail to the street address and the corporation has a P.O. box, show the box number instead of the street address.

Note: If a change in address occurs after the return is filed, the corporation can use Form 8822, Change of Address, to notify the IRS of the new address.

Item A(2)

Check the box if this is a consolidated return and non-life insurance companies are included. See Regulation section 1.1502-47(s) for the filing requirements of a life-nonlife consolidated return.

Item B

Employer identification number (EIN).—If the corporation does not have an EIN, it should apply for one on Form SS-4, Application for Employer Identification Number. Form SS-4 can be obtained at most IRS and Social Security Administration offices. If the corporation has not received its EIN by the time the return is due, write "Applied for" in the space for the EIN. See Pub. 583 for more information.

Item F

Check the appropriate box if the corporation is a foreign corporation and elects under: (1) section 953(c)(3)(C) to treat its related person insurance income as effectively connected with the conduct of a trade or business in the U.S., or (2) section 953(d) to be treated as a domestic corporation. Generally, a foreign corporation making either election should file its return with the Internal Revenue Service Center, Philadelphia, PA 19255. See Notice 87-50, 1987-2 C.B. 357, and Notice 89-79, 1989-2 C.B. 392, for the procedural rules for making the respective elections under Section 953(c)(3)(C) or section 953(d). To make a valid election, the corporation must file an election statement at the addresses given in Notice 87-50 and 89-79. These notices provide the formats for the election statements.

Note: Once either election is made, it will apply to the tax year for which made and to all subsequent tax years unless revoked with the consent of the Secretary. Also, any loss of a foreign corporation electing to be treated as a domestic insurance company, under section 953(d), will be treated as a dual consolidated loss and will not be allowed to reduce the taxable income of any other member of the affiliated group for the tax year or any other tax year.

Life Insurance Company Taxable Income (LICTI)

Income

Line 1.—Enter gross premiums and other consideration received on insurance and annuity contracts less return premiums and premiums and other consideration paid for indemnity reinsurance.

"Gross premiums and other consideration" includes advance premiums, deposits, fees, assessments, consideration received for assuming liabilities under contracts not issued by the corporation, and any amount treated as premiums received under section 808(e) (see Schedule E instructions).

"Return premiums" include amounts rebated or refunded due to policy cancellations or due to incorrectly computed premiums, but do not include amounts returned to policyholders when such amounts are not fixed in the contract but instead depend on the corporation's experience or the management's discretion.

Line 2. Decrease in reserves.—If there is a decrease in reserves, complete line 2 by doing the following: (1) pencil in the amount from line 8, Schedule F, on line 2, to tentatively compute life insurance company gross income; (2) use this tentative life insurance company gross income figure to complete Schedule F. After completing steps 1 and 2 above, erase the numbers penciled in for step 1 and then enter on line 2, the net decrease in reserves shown on line 37, Schedule F.

Line 3. 10% of certain decreases in reserves.—Section 807(f)(1) provides that if the amount of any item referred to in section 807(c) decreases as a result of a change in the basis used to determine that item, 10% of the decrease must be included in life insurance company gross income for each of the 10 succeeding tax years.

Note: If a corporation ceases to qualify as a life insurance company, section 807(f)(2) provides that the balance of any adjustments under section 807(f) must be taken into account in the last tax year the corporation is qualified to file Form 1120L.

Line 4. 3¼% of year end balance of reserves under section 807(e)(7)(B).—For tax years beginning on or after September 30, 1990, and before September 30, 1996, life insurance companies are required to include in gross income an amount equal to 3¼% of the company's closing balance for unearned premiums and premiums received in advance under insurance contracts not described in section 816(b)(1)(B) for its most recent tax year beginning before September 30, 1990. See section 807(e)(7)(B).

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Line 5. Investment income.—Enter the amount from Schedule B, line 1 plus interest received on securities acquisition loans as defined in section 133(b).

Line 6. Net capital gain.—Unless specifically excluded by section 1221, each asset held by a corporation (whether or not it is connected with its business) is a "capital asset." Under section 1221 "capital asset" does not include: (1) inventory or property held primarily for sale to customers in the ordinary course of the corporation's trade or business; (2) depreciable or real property used in the corporation's trade or business; (3) certain copyrights, literary, musical or artistic compositions; (4) accounts or notes receivable acquired in the ordinary course of a trade or business for services rendered or from the sale of property described in (1) above; and (5) certain publications of the U.S. Government.

Section 818(b) modifies the above definition so only property used in carrying on an insurance business will be considered as "depreciable or real property used in the corporation's trade or business." For life insurance companies, gains or losses from the sale or exchange of depreciable assets of any business other than an insurance business will be treated as gains or losses from the sale or exchange of capital assets.

See section 818(c) (relating to property held on December 31, 1958, and certain substituted property acquired after December 31, 1958) and the related regulations for how to limit the gain from the sale or exchange of any section 818(c) property.

Line 7. Other amounts.—Enter other income not included on lines 1 through 6, if those items are includable in life insurance company gross income. Include the total amount of income from noninsurance business (defined in section 806(b)(3)). Attach a schedule of all items included on line 7. Income from noninsurance business should be segregated from all other income.

For mutual life insurance companies, if the recomputed differential earnings amount (determined under section 809(f)(3)) for the preceding tax year exceeds the differential earnings amount (determined under section 809(a)(3)) for that tax year, include the excess on line 7 as other income for the current tax year.

Sales of business property and involuntary conversions.—Use Form 4797, Sales of Business Property, to report gains and losses from sales or exchanges of assets used in a trade or business and from involuntary conversions.

For life insurance companies, section 818(b)(1) provides that, for section

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1231(a), "property used in a trade or business" includes only:

1. Property used in carrying on an insurance business that is either real or depreciable property held for more than 1 year.

2. Timber, coal, and domestic iron ore to which section 631 applies.

For paragraph 1 above, "property used in a trade or business" does not include property includable in inventory, property held primarily for sale to customers, or certain copyrights, literary, musical or artistic compositions, letters, memoranda and similar property.

Report ordinary gains and losses from Form 4797 on line 7, page 1.

Deductions

Line 9. Death benefits, etc.—Enter all claims and benefits accrued and losses incurred (whether or not ascertained) during the year on insurance and annuity contracts.

"Losses incurred (whether or not ascertained)" means a reasonable estimate both of losses incurred but not reported, where the amount of the losses cannot be determined by the end of the tax year. Losses incurred must be adjusted to take into account recoveries, e.g., for reinsurance, for those losses together with estimates of those recoveries that may be recovered on those losses in future years.

Note: Section 807(c) provides that the amount of the unpaid losses (other than losses on life insurance contracts) unpaid by the amount of the discounted unpaid losses as defined in section 846. See the instructions for Schedule F, line 2 for more information on the discounting provisions.

Line 11. 10% of certain increases in reserves.—Section 807(f)(1) provides that if the amount of any item referred to in section 807(c) increases as a result of a change in the basis used to determine that item, then 10% of the increase will be allowed as a deduction in computing LICTI for each of the 10 succeeding tax years.

Note: If a corporation ceases to qualify as a life insurance company, section 807(f)(2) provides that the balance of any adjustments under section 807(f) must be taken into account in the last year that the corporation is qualified to file Form 1120L.

Line 13. Consideration paid for assumption by another person of liabilities under insurance, etc., contracts.—Enter the total consideration paid by the corporation to another person (other than consideration paid for indemnity reinsurance) for the assumption by that person of liabilities under insurance and annuity contracts (including supplementary contracts).

Line 14. Dividends reimbursable by taxpayer.—Enter the amount of policyholder dividends paid or accrued by another insurance company for policies this corporation has reinsured and that are reimbursable by the corporation under the terms of the reinsurance contract.

Line 15a. Interest.—Enter all interest paid or accrued during the tax year. No deduction is allowed under section 163 for interest on the items described in section 807(c).

Line 15b. Less tax-exempt interest expense.—Enter interest paid or accrued on indebtedness incurred or continued to purchase or carry obligations, the interest on which is wholly tax exempt.

Line 16. Other deductions.—Enter the total of all other deductions (including the amortization of premiums under section 811(b)) not included on lines 9 through 15c, to the extent they are deductible in computing LICTI. Include the total amount of deductions for a noninsurance business (defined in section 806(b)(3)). Deductions from noninsurance business should be segregated from all other deductions.

For mutual life insurance companies, if the differential earnings amount (determined under section 809(a)(3)) for the preceding tax year exceeds the recomputed differential earnings amount (determined under section 809(f)(3)) for that tax year, include the excess on line 16 as a deduction in computing LICTI for the current tax year.

If the corporation claims a deduction for depreciation or amortization, attach Form 4562, Depreciation and Amortization.

Foreign intangible drilling costs and foreign exploration and development costs must either be added to the corporation's basis for cost depletion purposes or be deducted ratably over a 10-year period. See sections 263(f), 616, and 671 for details.

Attach Form T (Timber), Forest Industries Schedules if a deduction for depletion of timber is taken.

Insurance companies are generally required to amortize policy acquisition expenses on a straight-line basis over a period of 120 months beginning with the 1st month in the 2nd half of the tax year. The amount to be amortized is the portion of the corporation's "general deductions" that does not exceed the sum of the following percentages of net premiums on specified insurance contracts for the tax year: Annuities 1.75%, Group life 2.05%, and Other life (including noncancelable or guaranteed renewable accident and health) 7.7%. "General deductions" means the deductions under sections 161 through 196, relating to itemized deductions, and sections 401 through 424, relating to

pension, profit sharing, stock bonus plans, etc. See section 848(a). Section 848(b) provides for an amortization period of 60 months for the first \$5 million of amortizable policy acquisition expenses for any tax year. See section 848(b)(2) for phase-out rules. The 60-month amortization period does not apply to any policy acquisition expenses for any tax year that are from premiums or other consideration under any reinsurance contract. See section 848(b)(4). See section 848 for special rules, definitions, and exceptions.

Compensation of officers.—Attach a schedule for all officers using the following columns:

1. Name of officer.
2. Social security number.
3. Percentage of time devoted to business.
4. Amount of compensation.

This information must be submitted by each member of an affiliated group included in a consolidated return.

Line 18. Operations loss deduction.—To determine the operations loss deduction (OLD) for any tax year, subtract line 8, page 1, from the total allowable deductions modified as follows: (1) No OLD is allowed; and (2) The corporation must figure the dividends-received deductions allowed by sections 243, 244, and 245 without regard to section 246(b), (as modified by section 805(a)(4)). This loss from operations then becomes an OLD to be carried back or over to another tax year.

The OLD for a tax year is the total of the operations loss carryovers and carrybacks to that tax year. Generally, an OLD may be carried back to each of the 3 years preceding the year of the loss and over to each of the 15 years following the year of the loss. There is also an election to carry an OLD over to each of the 15 years following the year of the loss. To make this election, check the box in question 14, Schedule L. The return must be timely filed (including extensions). The election is irrevocable. If the life insurance company is a new company for the loss year, the loss may be carried over to each of the 18 years following the year of the loss.

The amount of the loss that may be carried to each succeeding year in the carryback or carryover period is the amount by which the loss exceeds the sum of the offsets for each of the earlier tax years in which the loss may be carried. This term "offset" means, with respect to any tax year, the increase in the OLD for the tax year which reduces LICTI (computed without regard to the small life insurance company deduction) for the year to zero.

See section 382 for the limitation on the amount of taxable income of a loss corporation for any tax year ending after a post-1986 ownership change that may

be offset by pre-change operations loss carryovers. Also see Temporary Regulations section 1.382-2T(a)(2)(ii), which requires that a loss corporation file an information statement with its income tax return for each tax year that it is a loss corporation and certain shifts in ownership occurred.

See section 844 for special loss carryover rules for an insurance company that has changed its form of organization or has had a change in the nature of its insurance business.

Limitations on Deductions

Charitable contributions.—Enter contributions or gifts actually paid in the tax year to or for the use of charitable and governmental organizations described in section 170(c) and any unused contributions carried over from prior years.

The total amount claimed may not be more than 10% of LICTI computed without regard to:

- Any deduction for charitable contributions.
- The deduction for policyholder dividends.
- The deduction for dividends received.
- The small life insurance company deduction.
- Any operations loss carryback to the tax year under section 810, and
- Any capital loss carryback to the tax year under section 1212(a)(1).

Charitable contributions over the 10% limitation may not be deducted in the tax year but may be carried over to the next 5 tax years.

A contributions carryover is not allowed, however, to the extent that it increases an OLD. See section 170(d)(2)(B).

Corporations on the accrual basis may elect to deduct contributions paid by the 15th day of the 3rd month after the end of the tax year if the contributions are authorized by the board of directors during the tax year. Attach a declaration to the return, signed by an officer, stating that the resolution authorizing the contributions was adopted by the board of directors during the tax year. Also attach a copy of the resolution.

If a contribution is in property other than money and the total claimed deduction of all property contributed exceeds \$500, the corporation must attach a schedule describing the kind of property contributed and the method used in determining its fair market value. If the corporation includes a contribution carryover, show the amount and how it was determined. Generally, corporations must complete and attach Form 8263, Noncash Charitable Contributions, to their returns for all contributions of property other than money if the total

claimed deduction for all property contributed was more than \$5,000.

A corporation must also keep records, as required by the regulations for section 170, for all of its charitable contributions.

If the corporation made a "qualified conservation contribution" under section 170(h), include the fair market value of the underlying property before and after the donation, as well as the type of legal interest contributed, and describe the conservation purpose benefited by the donation.

If a contribution carryover is included, show the amount and how it was determined.

Special rule for contributions of certain property.—For a charitable contribution of property, the corporation must reduce the contribution by the sum of:

- The ordinary income or short-term capital gain that would have resulted if the property had been sold at its fair market value, and
- For certain contributions, all of the long-term capital gain that would have resulted if the property had been sold at its fair market value.

The reduction for long-term capital gain applies to:

- Contributions of tangible personal property for use by an exempt organization for a purpose or function unrelated to the basis for its exemption; and
- Contributions of any property (except stock for which market quotations are readily available—see section 170(e)(5)) to or for the use of certain private foundations. See section 170(e) and Regulations section 1.170A-4.

For special rules for contributions of inventory and other property to certain organizations, see section 170(e)(3) and Regulations section 1.170A-4A.

Charitable contributions of scientific property used for research.—A corporation (other than a personal holding company or a service organization) can receive a larger deduction for contributing scientific property used for research to an institution of higher education. For further information, see section 170(e).

Section 263A uniform capitalization rules.—These rules require corporations to capitalize or include in inventory certain costs incurred in connection with the production of real and personal tangible property held in inventory or held for sale in the ordinary course of business. For more information, see Temporary Regulations section 1.263A-1T.

Meals and entertainment.—A corporation can generally deduct only 80% of the amount otherwise allowable for meals and entertainment expenses paid or incurred in its trade or business.

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Also, meals must not be lavish or extravagant; a bona fide business discussion must occur during, immediately before, or immediately after the meal; and an employee of the corporation must be present at the meal. See section 274(k)(2) for exceptions. If the corporation claims a deduction for unallowable meal expenses, it may have to pay a penalty.

Additional limitations apply to deductions for gifts, skybox rentals, luxury water travel, convention expenses, and entertainment tickets. See section 274 and Pub. 463, Travel, Entertainment, and Gift Expenses.

Generally, a corporation can deduct all other ordinary and necessary travel and entertainment expenses paid or incurred in its trade or business. However, it cannot deduct an expense paid or incurred for a facility (such as a yacht or hunting lodge) that is used for an activity that is usually considered entertainment, amusement, or recreation.

Note: The corporation may be able to deduct the expense if the amount is treated as compensation and reported on Form W-2 for an employee or on Form 1099-MISC for an independent contractor.

Note: Do not deduct penalties such as those listed under Interest and Penalties on page 3.

Transactions between related taxpayers.—Generally, an accrual basis taxpayer may only deduct business expenses and interest owed to a related party in the year the payment is included in the income of the related party. See sections 163(e)(3), 163(i), and 267 for limitations on deductions for unpaid interest and expenses.

Section 291 limitations.—Corporations may be required to adjust deductions for depletion of iron ore and coal, intangible drilling and exploration and development costs, certain deductions for financial institutions, and the amortizable basis of pollution control facilities. See section 291 to determine the amount of the adjustment. Also see section 43.

Golden parachute payments.—A portion of the payments made by a corporation to key personnel that exceeds their usual compensation may not be deductible. This occurs when the corporation has an agreement (golden parachute) with these key employees to pay them these excessive amounts if control of the corporation changes. See section 280C.

Business startup expenses.—Business startup expenses are required to be capitalized unless an election is made to amortize them over a period of 60 months. See section 195.

Line 25. Total taxable income.—Generally, this is the sum of lines 22, 23, and 24 of page 1. However, if an amount is entered on line 24, then even if lines

Page 8

22 and 23 total less than zero, the amount entered on line 25 may not be less than the amount on line 24.

Line 27b. 1992 estimated tax payments.—Enter any estimated tax payments the corporation made for this tax year. If in addition to "regular" estimated payments, the corporation is required to make or apply special estimated tax payments (SETP) under section 847, enter on line 27b the corporation's total estimated tax payments. Write on the dotted line to the left of the entry space "SETP \$(amount)", and attach Form(s) 8816 and a schedule showing your computation of estimated tax payments. See section 847(2) and Form 8816 for more information.

Line 27i. Total payments.—Add the amounts on lines 27d through 27h and enter the total on line 27i.

Backup withholding.—If the corporation had income tax withheld from any payments it received because, for example, it failed to give the payer its correct employer identification number, include the amount withheld in the total for line 27i. This type of withholding is called "backup withholding." On Form 1120L, show the amount withheld in the blank space in the right hand column between lines 26 and 27i, and label the amount "backup withholding."

Line 28. Estimated tax penalty.—A corporation that does not make estimated tax payments when due may be subject to an underpayment penalty for the period of underpayment. Generally, a corporation is subject to the penalty if its tax liability is \$500 or more, and it did not timely pay the smaller of (a) 93% of its tax liability for 1992 (97% of its tax liability for a tax year beginning after June 30, 1992), or (b) 100% of its prior year's tax. See section 6655 for details and exceptions.

Mutual life insurance companies may use the smaller of (1) the differential earnings rate of the second tax year preceding the taxable year for which the installment is made, or (2) the differential earnings rate for the taxable year for which the installment is made. See Section 809(c)(3) for more information.

Form 2220, Underpayment of Estimated Tax by Corporations, is used to see if the corporation owes a penalty and to figure the amount of the penalty. Generally, the corporation does not have to file this form because the IRS can figure the amount of any penalty and bill the corporation for it. However, you must complete and attach Form 2220 even if the corporation does not owe the penalty if:

- The annualized income or adjusted seasonal installment method is used, or
- The corporation is a "large corporation" computing its first required installment based on the prior year's tax.

(See the instructions for Form 2220 for the definition of a "large corporation.") If you attach Form 2220, be sure to check the box on line 28, and enter the amount of any penalty on that line.

Schedule A—Dividend Income and Dividends-Received Deduction

For purposes of the 20% ownership test on lines 1 through 7, the percentage of stock owned by the corporation is based on voting power and value of the stock. Preferred stock described in section 1504(a)(4) is not taken into account. Corporations filing a consolidated return should see Regulations sections 1.1502-14, 1.1502-26, and 1.1502-27 before completing Schedule A.

Line 1, column (a).—Enter dividends (except those received on debt-financed stock acquired after July 18, 1984—see Section 246A) received from less-than-20%-owned domestic corporations subject to income tax and that qualify for the deduction allowable under section 243(a)(1). Include on this line taxable distributions from an IC-DISC or former DISC that are designated as eligible for the 70% deduction and certain dividends of Federal Home Loan Banks (see section 246(a)(2)).

For dividends received from a regulated investment company, see section 854 for the amount subject to the 70% deduction.

Report so-called dividends or earnings received from mutual savings banks, etc., as interest. Do not treat them as dividends.

Line 2, column (a).—Enter dividends (except those received on debt-financed stock acquired after July 18, 1984) that are received from 20%-or-more-owned domestic corporations subject to income tax and that are subject to the 80% deduction under section 243(c). Include on this line taxable distributions from an IC-DISC or former DISC that are considered eligible for the 80% deduction.

Line 3, column (a).—Enter dividends on debt-financed stock acquired after July 18, 1984 that are received from domestic and foreign corporations subject to income tax and that would otherwise be subject to the dividends-received deduction under section 243(a)(1), 243(c), or 245(a). Generally, debt-financed stock is stock that the corporation acquired by incurring a debt (e.g., it borrowed money to buy the stock).

Line 3, columns (b) and (c).—Dividends received on debt-financed stock acquired after July 18, 1984, are not entitled to the full 70% or 80%

dividends-received deduction. The 70% or 80% deduction is reduced by a percentage that is related to the amount of debt incurred to acquire the stock. See section 246A. Also see section 245(a) before making this computation for an additional limitation that applies to dividends received from foreign corporations. Attach a schedule showing how the amount on line 3, column (c), was figured.

Line 4, column (a).—Enter dividends received on the preferred stock of a less-than-20%-owned public utility that is subject to income tax and is allowed the deduction provided in section 247 for dividends paid.

Line 5, column (a).—Enter dividends received on the preferred stock of a 20%-or-more-owned-public utility that is subject to income tax and is allowed the deduction provided in section 247.

Line 6, column (a).—Enter the U.S. source portion of dividends received from less-than-20%-owned foreign corporations and that qualify for the 70% deduction under section 245(a). To qualify for the 70% deduction, the corporation must own at least 10% of the stock of the foreign corporation by stock by vote and value. Also include dividends received from a less-than-20%-owned FSC that are attributable to income treated as effectively connected with the conduct of a trade or business within the U.S. (excluding foreign trade income) and that qualify for the 70% deduction provided in section 245(c)(1)(B).

Line 7, column (a).—Enter the U.S.-source portion of dividends received from 20%-or-more-owned foreign corporations that qualify for the 80% deduction under section 245(a). Also include dividends received from a 20%-or-more-owned FSC that are attributable to income treated as effectively connected with the conduct of a trade or business within the U.S. (excluding foreign trade income) and qualify for the 80% deduction provided in section 245(c)(1)(B).

Line 8, column (a).—Enter dividends received from wholly owned foreign subsidiaries that are eligible for the 100% deduction under section 245(b).

In general, the deduction under section 245(b) applies to dividends paid out of the earnings and profits of a foreign corporation for a tax year during which:

- All of its outstanding stock is owned (directly or indirectly) by the domestic corporation receiving the dividends, and
 - All of its gross income from all sources is effectively connected with the conduct of a trade or business within the United States. Do not include dividends received from a life insurance company.
- Line 9, column (a).**—Enter only those dividends that qualify under section

243(b) for the 100% dividends-received deduction described in section 243(a)(3). Corporations taking this deduction are subject to the provision of section 1561. Do not include dividends received from a life insurance company.

Line 10, column (c)

Limitation on dividends-received deduction

Generally, line 10 of column (c) may not exceed the amount from the worksheet below. However, in a year in which a loss from operations occurs, this limitation does not apply even if the loss is created by the dividends-received deduction. (See sections 246(b) and 810.)

Worksheet for Schedule A, line 10, col. (c)
(Keep for your Records)

1. Add lines 8 and 23, page 1, less the total of lines 9 through 16, page 1, and without: the small life insurance company deduction, the operations loss deduction, the dividends-received deduction (sections 243(a)(1), 244(a), and 245), any adjustment under section 1059, and any capital loss carryback to the current tax year (section 1212(a)(1)).
2. Add lines 9 and 13, column (c).
3. Subtract line 2 from line 1.
4. Multiply line 3 by 80%.
5. Add lines 2, 5, 7, and 8, column (c) and the portion of the deduction on line 3, column (c) that is attributable to dividends received from 20%-or-more-owned corporations.
6. Enter the smaller of line 4 or line 5. (If line 5 is greater than line 4 stop here; and enter the amount from line 6 on line 10 column (c). Do not complete the rest of worksheet.)
7. Enter the total amount of dividends from 20% - or - more - owned corporations that are included on lines 2, 3, 5, 7, and 8 of column (a).
8. Subtract line 7 from line 3.
9. Multiply line 8 by 70%.
10. Subtract line 5 above from line 10 of column (c).
11. Enter the smaller of line 9 or line 10.
12. Dividends-received deduction after limitation (section 246(b)). Add lines 6 and 11. Enter the result on line 10, column (c).

Line 13, column (a).—Enter dividends that qualify for the 100% dividends-received deduction and that are not reported on line 8 or 9 because they were not distributed out of tax-exempt interest or out of dividends that do not qualify as 100% dividends, or because they were paid by a life insurance company.

Note: Certain dividends received by a foreign corporation are not subject to proration. Attach a schedule showing computations.

Line 14, column (a).—Enter the total of other dividends received. Attach a schedule showing separately:

- Foreign dividends not reportable on lines 6, 7, 8, or 13. Exclude distributions of amounts constructively taxed in the current year or in prior years under Subpart F (sections 951 through 964).
- Income constructively received from controlled foreign corporations under Subpart F. This amount should equal the total amounts reported on Schedule I, Form 5471.
- Gross-up of dividends for taxes deemed paid under sections 902 and 960.
- Dividends (other than capital gain and exempt-interest dividends) received from regulated investment companies that do not qualify for the dividends-received deduction.
- Dividends from tax-exempt organizations.
- Dividends (other than capital gain dividends) received from a real estate investment trust that, for the tax year of the trust in which the dividends are paid, qualify under sections 856 through 860.
- Dividends not eligible for the dividends-received deduction because of the holding period of the stock or an obligation to make corresponding payments with respect to similar stock.
- Two situations in which the dividends-received deduction will not be allowed on any share of stock are: (1) if the corporation held the stock with regard to which the dividends were issued for 45 days or less; or (2) to the extent that the corporation is under an obligation to make related payments for substantially similar or related property.
- Any other taxable dividend income not properly reported above, including distributions under section 936(h)(4).

Schedule B—Gross Investment Income

Line 1. Interest.—Enter the total taxable interest received or accrued during the tax year, less any amortization of premium, plus any accrual of discount required under section 811(b). The appropriate amortization of premium and accrual of discount for the tax year on bonds, notes, debentures, or other evidence of indebtedness held by a life insurance company should be determined: (a) in accordance with the method regularly employed by the company, if reasonable, and (b) in all other cases, in accordance with the regulations. Market discount is not required to be accrued under section 811(b). Attach a statement showing the method and computation used.

Line 3. Gross rents.—Enter the gross rents received or accrued during the tax year. Related expenses, such as repairs, taxes, and depreciation should be reported as "Other deductions" on line 16, page 1.

Line 4. Gross royalties.—Enter the gross royalties received or accrued during the tax year. Report the depletion deduction on line 16, page 1.

Line 5. Leases, terminations, etc.—Enter the gross income received from entering into, altering, or terminating any lease, mortgage, or other instrument from which the corporation derives interest, rents, or royalties.

Line 6. Excess of net short-term capital gain over net long-term capital loss.—See the instructions for line 6, page 1, for a definition of capital assets.

Line 7. Gross income from a trade or business other than insurance.—Enter the gross income from a trade or business other than insurance carried on by the life insurance company, or by a partnership of which the life insurance company is a partner. Include on this line section 1245, section 1250, and any ordinary gains on assets used in a noninsurance business from Form 4797. See the instructions under "Sales of business property and involuntary conversions," on page 6. Report expenses related to any trade or business other than insurance on line 16, page 1.

Line 9. Tax-exempt interest.—Enter the total tax-exempt interest income received or accrued during the tax year. Tax-exempt interest does not include interest received on securities acquisition loans as defined in section 133(b).

Line 11. 100% qualifying dividends.—Enter the total amount of dividends for which the percentage used to determine the deduction allowable under sections 243, 244, and 245(b) is 100%. Do not include dividends to the extent they are funded with tax-exempt interest or dividends that would not qualify as 100% dividends in the hands of the corporation. See section 812(e).

Note: Multi-tiered corporate arrangements cannot be used to change the character of the tax-exempt interest and dividends received in an attempt to avoid exclusion.

Schedule C—Differential Earnings Amount

The differential earnings rate and the recomputed differential earnings rate for each tax year are determined by the Secretary on the basis of information submitted by the 50 largest domestic stock life insurance companies and all mutual life insurance companies. Neither rate can be a negative rate. See Notice 88-106, 1988-2 C.B. 444. The differential earnings rate for 1991 is zero. The recomputed differential earnings rate for 1990 is 0.885. See Rev. Rul. 92-78, 1992-39 I.R.B. 9. For 1990, both the tentative and final differential earnings

rates are zero. See Rev. Rul. 91-52, 1991-2 C.B. 331.

To compute the differential earnings amount for 1992, multiply the average equity base (line 12, Schedule C) by the differential earnings rate for 1992. Enter the result on line 13, Schedule C. When determining the equity base, no item should be taken into account more than once.

See section 809 for definitions, computational information, transitional rules, and special adjustments that may be required.

Schedule E—Policyholder Dividends

"Policyholder dividend" is any dividend or similar distribution to policyholders in their capacity as such. Policyholder dividends include all amounts paid or credited (including an increase in benefits) where the amount is not fixed in the contract but depends on the corporation's experience or management's discretion, plus all excess interest, premium adjustments, and experience-rated refunds. Also, under section 608(e), any policyholder dividend which increases either the cash surrender value of the contract or other benefits payable under the contract, or which reduces the premium that otherwise has to be paid, is treated as having been paid to and returned by the policyholder to the company as a premium. When this happens, these amounts must be reported as income on line 1, page 1.

Generally, a deduction for policyholder dividends is the amount actually paid or accrued during the tax year. However, mutual life insurance companies must reduce this amount (but not below zero) by the differential earnings amount as determined under section 809. If a mutual life insurance company's differential earnings amount exceeds total policyholder dividends for the tax year, the company must reduce its ending reserves by the amount of the excess.

In general, section 846 provides that the amount of the discounted unpaid losses must be computed separately by each line of business (multiple peril lines must be treated as a single line of business) and by each accident year and must be equal to the present value of those losses determined by using the: (1) amount of the undiscounted unpaid losses; (2) applicable interest rate; and (3) applicable loss payment pattern. Special rules apply with respect to unpaid losses related to disability insurance (other than credit disability insurance), noncancelable accident and health insurance, cancelable accident and health insurance, and to the international and reinsurance lines of business. With regard to the special rules for discounting unpaid losses on

Schedule F—Increase (Decrease) in Reserves and Company/Policyholder Share

Schedule F is used to compute: (1) the company's share percentage used in determining the company's share of the dividends-received deduction under section 805(a)(4); (2) the policyholders' share percentage used in determining the policyholders' share of tax-exempt interest for determining the increase or decrease in reserves under section 807; and (3) to determine if, under section 807, certain reserves decreased or increased for the tax year. A net

decrease will be treated as includible in gross income, while a net increase will be treated as a deduction in computing LICIT.

The net increase or net decrease in reserves is figured by comparing the opening balance for reserves to the closing balance for reserves reduced by: (1) the policyholders' share of tax-exempt interest, and (2) for mutual life companies, the excess, if any, (shown on line 8, Schedule E) of the differential earnings amount over deductible policyholder dividends determined without regard to section 809. For rules dealing with the method of computing reserves on contracts where interest is guaranteed beyond the end of the tax year, see section 811(d).

Reserve adjustments are not treated as interest expenses for allocation purposes under section 864(c). See section 818(f).

There are special rules for computing reserves of unearned premiums of certain non-life contracts. See section 807(e)(7)(A).

Note: If the basis for determining the amount of any item referred to in section 807(c) (life insurance reserves, etc.) at the end of the tax year differs from the basis for the determination at the beginning of the tax year, see section 807(f).

Line 1. Life insurance reserves.—For rules dealing with the method of computing life insurance reserves, see sections 807(d) and (e). Section 807(d)(2)(B) provides that the interest rate used to compute life insurance reserves is the greater of the applicable Federal interest rate or the prevailing state assumed interest rate. See Rev. Rul. 92-19, 1992-13 I.R.B. 4.

Line 2. Unearned premiums and unpaid losses.—For sections 807 and 805(a)(1) the amount of the unpaid losses (other than losses on life insurance contracts) must be the amount of the discounted unpaid losses determined under section 846.

In general, section 846 provides that the amount of the discounted unpaid losses must be computed separately by each line of business (multiple peril lines must be treated as a single line of business) and by each accident year and must be equal to the present value of those losses determined by using the: (1) amount of the undiscounted unpaid losses; (2) applicable interest rate; and (3) applicable loss payment pattern. Special rules apply with respect to unpaid losses related to disability insurance (other than credit disability insurance), noncancelable accident and health insurance, cancelable accident and health insurance, and to the international and reinsurance lines of business. With regard to the special rules for discounting unpaid losses on

accident and health insurance (other than disability income insurance), unpaid losses are assumed to be paid in the middle of the year following the accident year.

As a rule, the amount of undiscounted unpaid losses means the unpaid losses shown in the annual statement. The amount of discounted unpaid losses determined under section 846 with respect to any line of business for an accident year cannot exceed the total amount of unpaid losses with respect to any line of business for an accident year as reported on the annual statement.

The applicable interest rate for each calendar year and the applicable loss payment pattern for each accident year for each line of business are determined by the Secretary. The applicable interest rate for 1992 is 8.40%, (Rev. Rul. 91-62, 1991-2, C.B. 357. The applicable loss payment patterns are published in Rev. Proc. 92-47, 1992-26, I.R.B. 11.

Applicable interest rates and payment patterns for prior years are published in Rev. Rul. 91-42, 1991-2 C.B. 332, Rev. Rul. 90-26, 1990-1 C.B. 124; Rev. Rul. 89-66A, 1989-1 C.B. 220; Rev. Rul. 88-63, 1988-2 C.B. 130; and Rev. Rul. 87-34, 1987-1 C.B. 168. However, under section 846(e), corporations having sufficient historical experience to determine a loss payment pattern may, under certain circumstances, elect to use their own historical experience. If this election is made, the loss payment patterns will be based on the most recent calendar year for which an annual statement was filed before the beginning of the accident year. No election under section 846(e) will apply to any international or reinsurance line of business. If the corporation elects to use its own loss payment pattern, be sure to check the "Yes" column for question 11 in Schedule L, Other Information. For more information regarding this election, see section 846(e) and Notice 88-100, 1988-2 C.B. 439.

Section 807(d)(4)(A)(ii) permits an election to recompute Federal interest rate every 5 years. In general, a life insurance company would apply the greater of the applicable Federal interest rate (AFIR) or the prevailing state assumed interest rate (SAIR) for the calendar year in which the contract is issued and the following 4 calendar years. In the fifth calendar year after the calendar year in which the contract was issued, they would begin using the AFIR in effect for that fifth calendar year or the prevailing SAIR for the calendar year in which the contract was issued, whichever is greater. This rate would then remain in effect for the 4 years after that. For each subsequent 5 year period a similar recomputation would be required. Once made, the election is effective for contracts issued during that calendar year and any subsequent

years, and may only be revoked with the consent of the Secretary.

Note: Any insurance company required to discount unpaid losses under section 846, may be allowed an additional deduction under section 847. To claim a section 847 deduction, include it on line 16, page 1 and attach Form 8816. If this deduction is taken, the corporation must make a special estimated tax payment. See the instructions on page 8 for line 27b on how to show this payment.

Line 3. Supplementary contracts.—Enter the amount (discounted at the appropriate rate of interest) necessary to satisfy the obligations under insurance and annuity contracts, but only if the obligations do not involve (at the time with respect to which the computation is made) life, accident, or health contingencies. For this item, the appropriate rate of interest is the higher of the prevailing SAIR at the time the obligation first did not involve life, accident, or health contingencies or the rate of interest assumed by the corporation (at that time) in determining the guaranteed benefit. In no case, however, may the amount so determined for any contract be less than the net surrender value of the contract.

Line 4. Dividend accumulations and other amounts.—Enter the total dividend accumulations and other amounts held at interest in connection with insurance and annuity contracts.

Line 5. Advance premiums.—Enter the total premiums received in advance and liabilities for premium deposit funds. See section 807(e)(7)(A) for special rules for treatment of certain non-life reserves.

Line 6. Special contingency reserves.—Enter the total reasonable special contingency reserves under contracts of group term life insurance or group accident and health insurance which are established and maintained for the provision of insurance on retired lives, for premium stabilization, or for a combination thereof.

Line 8. Increase (decrease) in reserves.—In figuring the amount shown on line 8, any decrease in reserves must be computed without any reduction of the closing balance of section 807 reserves by the policyholders' share of tax-exempt interest. See the instructions for line 2, page 1.

Note: In figuring the company's and policyholders' share percentages, carry the computations to enough decimal places to ensure substantial accuracy and to eliminate any significant error in the resulting tax.

Lines 9-17.—Lines 9 through 17 are used to compute the investment income ratio. The investment income ratio is the ratio that gross investment income less policy interest bears to life insurance company gross income (including

tax-exempt interest) less the amount of any increase in reserves.

Note: In computing the amount entered on line 16, any decrease in reserves must be computed without any reduction of the closing balance of section 807 reserve items by the policyholders' share of tax-exempt interest.

Line 28.—Multiply gross investment income (line 9) by 90% or, in the case of gross investment income attributable to assets held in segregated asset accounts under variable contracts, by 95%. Enter the result on line 28.

Schedule G—Small Life Insurance Company Deduction

To qualify for the small life insurance company deduction, a life insurance company must have less than: (a) \$15 million of tentative life insurance company taxable income (tentative LICTI), and (b) \$500 million in assets.

The deduction for qualifying small life insurance companies is 60% of the tentative LICTI for the tax year that does not exceed \$3 million. To the extent that tentative LICTI exceeds \$3 million, the deduction is phased out. The reduction in the deduction is equal to 15% of the tentative LICTI for the tax year that exceeds \$3 million.

In computing the small life insurance company deduction, all life insurance company members of the same controlled group are treated as one company. Any small life insurance company deduction determined with respect to the group must be allocated among the life insurance companies in the group in proportion to their respective tentative LICTIs.

In computing the small life insurance company deduction, the tentative LICTI for any tax year must be determined without regard to all items from noninsurance businesses. Generally, "noninsurance business" means any activity which is not an insurance business. However, under section 806(b)(3)(B), any activity which is not an insurance business shall be treated as an insurance business if: (1) it is of a type traditionally carried on by life insurance companies for investment purposes, but only if the carrying on of the activity (other than real estate) does not constitute the active conduct of a trade or business, or (2) it involves the performance of administrative services in connection with plans providing life insurance, pension, or accident and health benefits.

For the assets test, the assets of all members of a controlled group, as defined in section 806(c)(3), must be included, whether or not they are life insurance companies. For information

regarding the valuation of assets, see the instructions for Schedule K, Part I.

Schedule H—Limitation on Noninsurance Losses

Section 806(b)(3)(C) provides that, in computing LICTI, any loss from noninsurance business is limited to the smaller of 35% of the loss or 35% of LICTI (computed by excluding any noninsurance loss included in arriving at LICTI on line 22, page 1). For more information on either the computation of the allowable loss deduction or on applicable carryback provisions, see section 1503(c).

Schedule I, Part I—Shareholders Surplus Account

Section 815(c)(1) provides that each stock life insurance company (domestic or foreign) that had a policyholders surplus account on December 31, 1983, will continue to maintain a shareholders surplus account.

Line 4.—In determining the tax liability shown on this line, proper adjustments must be made for any year in which the alternative minimum tax is imposed or the minimum tax credit has been taken.

Line 6.—Enter all amounts treated under section 815 as distributions to shareholders. Any distribution to shareholders is treated as having been made first out of the shareholders surplus account, to the extent thereof.

Schedule I, Part II—Policyholders Surplus Account

Section 815(d)(1) provides that every stock life insurance company (domestic or foreign) that had an existing policyholders surplus account on December 31, 1983, will continue to maintain the account. For tax years beginning after December 31, 1983, no additions can be made to this account; however, the account must be decreased by the amounts specified in section 815(d)(3). Further, section 815(f) provides that, in general, the provisions of subsections (d), (e), (f), and (g) of section 815 as in effect before the enactment of the Tax Reform Act of 1984 ("Act of 1984") continue to be applicable to any policyholders surplus account for which there was a balance as of December 31, 1983.

Amounts subtracted from the policyholders surplus account for a tax year are added to a life insurance company's taxable income and are subject to the tax imposed by section 801.

Line 8.—If the balance at the end of the preceding tax year differs from the balance at the beginning of the current tax year (for example, due to the provisions of section 815(d)(5) as in effect prior to the Act of 1984), attach a schedule showing the adjustments made. Prior to the Act of 1984, section 815(d)(5) provided that if any addition to the policyholders surplus account increases or creates a loss from operations and part or all of the loss cannot be used in any other year to reduce the life insurance company's taxable income, then the loss will reduce the policyholders surplus account at the time that the addition was made. In this case, the beginning balance of the policyholders surplus account must be adjusted before any subtractions for the current tax year are made.

Line 9a.—If the total direct and indirect distributions to shareholders during the tax year exceeds the amount on Schedule I, Part I, line 5, enter the excess on line 9a.

Line 9b.—To compute the tax increase due to the amount entered on line 9a: (1) subtract the corporation's tax rate from 100%; (2) divide the distributions on line 9a by the result of step 1; (3) subtract the amount on line 9a from the result of step 2; and (4) enter the result of step 3 on line 9b.

Line 9c.—To compute the amount to enter on line 9c: (1) determine the total amount to be subtracted from the policyholders surplus account under sections 815(d)(1) and 815(d)(4) as they were in effect prior to the Act of 1984 (do this only after the amounts on lines 9a and 9b are subtracted from the beginning balance in the policyholders surplus account); (2) add 100% to the corporation's tax rate; (3) divide the result of step 1 by the result of step 2; and (4) enter the result of step 3 on line 9c. The amount entered on line 9c must be added to the shareholders surplus account at the beginning of the next tax year.

Line 9d.—Subtract the result of step 3, line 9c, from the result of step 1, line 9c. Enter the result on line 9d.

Line 9e.—Enter the total amount to be subtracted from the policyholders surplus account under section 815(d)(2) as it was in effect prior to the Act of 1984. At that time, section 815(d)(2) provided that if, for any tax year, a corporation was not an insurance company, or if for any two successive tax years a corporation was not a life insurance company, then any balance remaining in the policyholders surplus account at the end of the last tax year that the corporation was a life insurance company must be included in taxable income for that tax year.

Schedule J—Tax Computation

Line 3. Most corporations figure their tax by using the Tax Rate Schedule below. Exceptions apply to members of a controlled group. See the instructions below the Tax Rate Schedule for more information.

Tax Rate Schedule

If the amount on line 25, page 1 is:

Over—	But not over—	Its tax is:	Of the amount over—
0	\$50,000	15%	0
\$50,000	75,000	\$ 7,500 + 25%	\$50,000
75,000	100,000	13,750 + 34%	75,000
100,000	335,000	22,250 + 38%	100,000
335,000	34%	0

Members of a controlled group.—A member of a controlled group, as defined in section 1563, must check the box on line 1 and complete lines 2a(i) and 2a(ii).

Members of a controlled group are entitled to one \$50,000 and one \$25,000 taxable income bracket amount (in that order) on line 2a.

When a controlled group adopts or later amends an apportionment plan, each member must attach to its tax return a copy of its consent to this plan. The copy (or an attached statement) must show the part of the amount in each taxable income bracket apportioned to that member. There are other requirements as well. See Regulations section 1.1561-3(b) for the requirements and for the time and manner of making the consent.

Equal apportionment plan.—If no apportionment plan is adopted, the members of the controlled group must divide the amount in each taxable income bracket equally among themselves. For example, Controlled Group AB consists of Corporation A and Corporation B. They do not elect an apportionment plan. Therefore, Corporation A and Corporation B are entitled to \$25,000 (one-half of \$50,000) in the \$50,000 taxable income bracket on line 2a(i) and to \$12,500 (one-half of \$25,000) in the \$25,000 taxable income bracket on line 2a(ii).

Unequal apportionment plan.—Members of a controlled group may elect an unequal apportionment plan and divide the taxable income brackets as they wish. There is no need for consistency between taxable income brackets. Any member of the controlled group may be entitled to all, some, or none of the taxable income bracket. However, the total amount for all members of the controlled group cannot be more than the total amount in each taxable income bracket.

Worksheet for Members of a Controlled Group

Note: Each member of a controlled group must compute the tax using the worksheet below.

1. Enter the taxable income (line 25, page 1).
2. Enter line 1 or the corporation's share of the \$50,000 taxable income bracket, whichever is less.
3. Subtract line 2 from line 1.
4. Enter line 3 or the corporation's share of the \$25,000 taxable income bracket, whichever is less.
5. Subtract line 4 from line 3.
6. Enter 15% of line 2.
7. Enter 25% of line 4.
8. Enter 34% of line 5.
9. If the taxable income of the controlled group exceeds \$100,000, enter this member's share of the smaller of (a) 5% of the excess over \$100,000 or (b) \$11,750. (See Additional 5% tax below.)
10. Add lines 6 through 9. Enter here and on line 3, Schedule J.

Additional 5% tax. Members of a controlled group are treated as one corporation for purposes of figuring the applicability of the additional 5% tax that must be paid by the corporation with taxable income in excess of \$100,000. If the additional tax applies, each member of the controlled group will pay that tax based on the part of the amount that is used in each taxable income bracket to reduce that member's tax. See section 1561(a). Each member of the group must enter its share of the additional 5% tax on line 2b and attach to its tax return a schedule that shows the taxable income of the entire group as well as how its share of the additional tax was figured.

Note: The Technical and Miscellaneous Revenue Act of 1988 amended section 1011(f) of the Act of 1986 to increase the tax rate from 28% to 31.6% on any gain recognized by any insurance company from the redemption of any market discount bond issued before July 19, 1984, and acquired on or before September 25, 1985.

Deferred tax amount of a shareholder in a passive foreign investment company (section 1291). If the corporation was a shareholder in a passive foreign investment company (PFIC), and the corporation received an excess distribution or disposed of its investment in the PFIC during the year, it must include the aggregate increases in taxes due under section 1291(c)(2) in the amount to be entered on line 3. Write on the dotted line to the left of line 3, "Sec. 1291" and the amount.

Do not include on line 3 any interest due under section 1291(c)(3). Instead, write the amount of interest owed in the bottom margin of page 1, Form 1120L, and label it "Section 1291 interest." For details, see Form 8621, Return by a Shareholder of a Passive Foreign

Investment Company or Qualified Electing Fund.

Line 4a. Foreign tax credit.—To find out when a corporation can take this credit for payment of income tax to a foreign country or U.S. possession, see Form 1118, Foreign Tax Credit—Corporations.

Line 4b. Other credits.—**Possessions tax credit.**—For rules on how to elect to claim the possessions tax credit (section 936) see Form 5712, Election To Be Treated as a Possessions Corporation Under Section 936. Figure the credit on Form 5735, Possessions Corporation Tax Credit Allowed Under Section 936. Include the credit in the amount shown on line 4b. On the line to the left of the entry space, write the amount of the credit and identify it as a section 936 credit.

Credit for fuel produced from a nonconventional source.—A credit is allowed for the sale of qualified fuels produced from a nonconventional source. Section 29 contains a definition of qualified fuels, provisions for figuring the credit, and other special rules. Attach a separate schedule to the return showing the computation of the credit. Also see Form 8827 if any of the 1991 credit is disallowed solely because of the tentative minimum tax limitation. Also see section 53(d).

Orphan drug credit.—To find out when a corporation can take this credit and how it is figured, see section 28 and Form 6765, Credit for Increasing Research Activities (or for claiming the orphan drug credit). Generally, the corporation must reduce its deduction for qualified research or basic research expenses by the amount of any research credit determined under section 41(a). However, this rule does not apply if the corporation elects to take the reduced credit under section 280C(c). See that section for details.

Line 4c. General business credit.—Complete this line if the corporation can take any of the following credits. If the corporation has two or more of these credits, a credit carryforward or carryback (including an ESOP credit), or a passive activity credit, Form 3800, General Business Credit, must also be completed. Enter the amount of the general business credit on line 4c, and check the box for Form 3800. If the corporation has only one credit, enter on line 4c the amount of the credit from the form. Also be sure to check the appropriate box for that form.

Investment credit.—The investment credit was generally repealed for property placed in service after 1985. See Form 3468, Investment Credit, for exceptions.

Jobs credit.—The corporation may qualify to take this credit if it hired members of special targeted groups

during the tax year. See Form 5884, Jobs Credit, for more information.

Note: The corporation may not take an expense deduction for the part of the wages or salaries paid or incurred that is equal to the amount of the jobs credit determined without regard to the limitation based on the tax (section 38(c)).

Credit for alcohol used as fuel.—A corporation may be able to take a credit for alcohol used as fuel. Use Form 6478, Credit for Alcohol Used As Fuel, to figure the credit.

Credit for increasing research activities.—See Form 6765, Credit for Increasing Research Activities, and section 41.

Low-income housing credit.—See Form 6586, Low-Income Housing Credit, and section 42.

Enhanced oil recovery credit.—A corporation may claim a credit for 15% of its qualified enhanced oil recovery costs. Use Form 8830, Enhanced Oil Recovery Credit, to figure the credit.

Disabled access credit.—A corporation may be able to take a credit for certain expenditures paid or incurred to assist individuals with disabilities. See Form 8826, Disabled Access Credit, and section 44.

Line 4d. Credit for prior year minimum tax.—To figure the minimum tax credit and any carryover of that credit. Use Form 8827, Credit for Prior Year Minimum Tax—Corporations.

Line 7. Foreign corporations.—A foreign corporation carrying on an insurance business in the U.S. is taxed as a domestic insurance company on its income effectively connected with the conduct of a trade or business in the U.S. See sections 842 and 897, and Notice 89-96, 1989-2 C.B. 417, for more information. See Rev. Proc. 92-27, 1992-12 I.R.B. 35, for the domestic asset/liability percentages and domestic investment yields needed by foreign insurance companies to compute their minimum effectively connected net investment income under section 842(b). Income from sources outside the U.S. from U.S. business is treated as effectively connected with the conduct of a trade or business in the U.S. For a definition of effectively connected income, see sections 864(c) and 897.

Generally, any other U.S. source income received by a foreign corporation that is not effectively connected with the conduct of a business in the U.S. is taxed at 30% (or at a lower treaty rate). See section 881. If the corporation has this income, attach a schedule showing the kind and amount of income, the tax rate and the amount of tax.

Note: Interest received from certain portfolio debt investments that were issued after July 18, 1984, is not subject to the tax.

Additional taxes resulting from the net investment income adjustment may offset a corporation's 30 percent tax on U.S. source income. The tax reduction is determined by multiplying the 30 percent tax by the ratio of the amount of income adjustment to income subject to the 30 percent tax, computed without the exclusion for interest on state and local bonds or income exempted from taxation by treaty (section 842(c)(3)). Attach a statement showing how the reduction of section 881 tax was figured. Enter the net tax imposed by section 881 on line 7.

Note: Section 842(c)(1) requires that foreign life insurance companies make the investment income adjustment before claiming a small life insurance company deduction.

Foreign mutual life insurance companies are required to determine the amount of their policyholder dividends deduction by increasing their year-end equity base (under section 809) by the excess of their required U.S. assets over the mean of the assets held in the U.S. during that year. See section 842(c)(3).

Note: Section 953(d) allows a foreign insurance company to elect to be taxed as a domestic corporation. If this election is made, include the additional tax required to be paid, on line 10. Write on the dotted line to the left of line 10, "Sec. 953(d)" and the amount. See section 953(d) for more details.

Line 8. Recapture taxes.—

Recapture of investment credit.—If the corporation disposed of investment credit property or changed its use before the end of its useful life or recovery period it may owe a tax. See Form 4255, Recapture of Investment Credit, for details.

Recapture of low-income housing credit.—If the corporation disposed of property (or there was a reduction in the qualified basis of the property) on which it took the low-income housing credit, it may owe a tax. See Form 8611, Recapture of Low-Income Housing Credit, and section 42(j) for details.

Line 9a. Alternative minimum tax.—The corporation may owe the alternative minimum tax if it has any of the adjustments and tax preference items listed on Form 4626, Alternative Minimum Tax—Corporations. The corporation must file Form 4626 if its taxable income (loss) combined with these adjustments and tax preference items is more than the smaller of:

- \$40,000, or
- The corporation's allowable exemption amount (from Form 4626).

Reduce alternative minimum tax by any amount on Form 3800, Schedule A, line 34. On the dotted line to the left of line 9a, write "Sec. 38(c)(2)" and the amount.

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Note: See section 56(g)(4)(B)(ii) for special rules for life insurance companies for the computation of adjusted current earnings.

Line 9b. Environmental tax.—The corporation may be liable for the environmental tax if the modified alternative minimum taxable income of the corporation exceeds \$2 million. See Form 4626 for details.

Line 10. Total tax.—Interest on tax deferred under the installment method for certain nondealer installment obligations.—If an obligation arising from the disposition of property to which section 453A applies is outstanding at the close of the tax year, the corporation must include the interest due under section 453A(c) on line 10, Schedule J. Write on the dotted line to the left of line 10, Schedule J, "Section 453A(c) interest" and the amount. Attach a schedule showing the computation.

Deferred tax and interest on undistributed earnings of a qualified electing fund under section 1294. Complete Form 8621 to determine the corporation's share of tax attributable to the undistributed earnings of a qualified electing fund, or the deferred tax due, if any, as a result of the termination of a section 1294 election. See the instructions for Form 8621 to figure the amount of tax to include in, or subtract from, the total on line 10. Form 8621 also explains how to report any interest due under section 1294 on the deferred tax.

Schedule K

All filers must complete Parts I and II of Schedule K.

Note: Foreign insurance companies should report assets and insurance liabilities for their U.S. business only.

Part I—Total Assets

For Schedule K, "assets" means all assets of the corporation. In valuing real property and stocks, use fair market value; for other assets, use the adjusted basis as determined under section 1011, and related sections, without regard to section 818(c). An interest in a partnership or trust is not itself treated as an asset of the corporation. Instead, the corporation is treated as actually owning its proportionate share of the assets held by the partnership or trust. The value of the corporation's share of these assets should be listed on line 3.

Part II—Total Assets and Total Insurance Liabilities

Foreign insurance companies must maintain a certain surplus of U.S. assets over their U.S. insurance liabilities. The minimum required surplus is determined by multiplying their U.S. insurance

liabilities by a percentage determined by the Secretary. The Secretary determines the percentage from data supplied by domestic insurance companies in Schedule K, Part II. See section 842.

For Schedule K, "total insurance liabilities" means the sum of the following amounts as of the end of the tax year: (1) total reserves as defined in section 816(c); plus (2) the items referred to in paragraphs (3), (4), (5), and (6) of section 807(c), to the extent such amounts are not included in total reserves.

Foreign insurance companies, see Notice 89-96, 1989-2 C.B. 417, for more information on determining total insurance liabilities on U.S. business.

Schedule L—Other Information

The following instructions apply to questions 1 through 14 on page 7, Form 1120L. Be sure to answer all of the questions that apply to the corporation.

Question 6a.—Check the "Yes" box for question 6a if either 1 or 2 below applies to the corporation:

1. The corporation is a subsidiary in an affiliated group (defined below), but is not filing a consolidated return for the tax year with that group.

2. The corporation is a subsidiary in a parent-subsidiary controlled group (defined below).

Any corporation that meets either of the requirements above should check the "Yes" box. This applies even if the corporation is a subsidiary member of one group and the parent corporation of another.

Note: If the corporation is an "excluded member" of a controlled group (see section 1563(b)(2)), it is still considered a member of a controlled group for this purpose.

Affiliated group.—The term "affiliated group" means one or more chains of includible corporations (section 1504(a)) connected through stock ownership with a common parent corporation. The common parent must be an includible corporation and the following requirements must be met:

1. The common parent must own directly stock that represents at least 80% of the total voting power and at least 80% of the total value of the stock of at least one of the other includible corporations.

2. Stock that represents at least 80% of the total voting power, and at least 80% of the total value of the stock of each of the other corporations (except for the common parent) must be owned directly by at least one of the other includible corporations.

For this purpose, the term "stock" generally does not include any stock

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that (a) is nonvoting, (b) is nonconvertible, (c) is limited and preferred as to dividends and does not participate significantly in corporate growth, and (d) has redemption and liquidation rights that do not exceed the issue price of the stock (except for a reasonable redemption or liquidation premium).

Parent-subsidary controlled group.—The term "parent-subsidary controlled group" means one or more chains of corporations connected through stock ownership (section 1563(a)(1)). Both of the following requirements must be met:

1. 80% of the total combined voting power of all classes of stock entitled to vote or at least 80% of the total value of all classes of stock of each corporation in the group (except the parent) must be owned by one or more of the other corporations in the group.

2. The common parent must own at least 80% of the total combined voting power of all classes of stock entitled to vote or at least 80% of the total value of all classes of stock of at least one of the other corporations in the group. Stock owned directly by other members of the group is not counted when computing the voting power or value.

See section 1563(d)(1) for the definition of "stock" for purposes of determining stock ownership above.

Question 7. Foreign person.—Check the "Yes" box if one foreign person owned at least 25% of (a) the total voting power of all classes of stock of the corporation entitled to vote or (b) the total value of all classes of stock of the corporation.

Enter on line 7a the percentage owned by the foreign person specified in question 7. On line 7b, write the name of the owner's country.

Note: If there is more than one 25%-or-more foreign owner, complete

lines 7a and 7b for the foreign person with the highest percentage of ownership.

The term "Foreign person" means: (1) A foreign citizen or nonresident alien; (2) A foreign partnership; (3) A foreign corporation; or (4) Any foreign estate or trust within the meaning of section 7701(a)(31).

For individuals, the term "Owner's country," means the country of residence. For all others, it is the country where incorporated, organized, created, or administered.

Requirement to file Form 5472.—If the corporation checked "Yes" to Question 7, it may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Generally, a 25% foreign-owned corporation that had a reportable transaction with a foreign or domestic related party during the tax year must file Form 5472. Form 5472 must be filed by the due date of the corporation's income tax return (including extensions). Attach Form 5472 to the tax return and file a copy of Form 5472 with the Internal Revenue Service Center, Philadelphia, PA 19255.

If the corporation's tax return is not filed when due, Form 5472 must nevertheless be timely filed at the service center where the tax return is due (with a copy to Philadelphia). When the tax return is filed, attach a copy of the previously filed Form 5472.

Penalties for failure to file Form 5472.—If a corporation doesn't file Form 5472 as described above, a \$10,000 penalty applies. The penalty also applies for failure to maintain records as required by Regulations section 1.6038A-3. For details, see Form 5472.

Question 9. Foreign financial accounts.—Check the "Yes" box if

either 1 or 2 below applies to the corporation; otherwise, check the "No" box:

1. At any time during the calendar year 1992 the corporation had an interest in or signature or other authority over a bank, securities, or other financial account in a foreign country; and

• The combined value of the accounts was more than \$10,000 at any time during the calendar year; and

• The account was NOT with a U.S. military banking facility operated by a U.S. financial institution.

2. The corporation owns more than 50% of the stock in any corporation that would answer "Yes" to item 1, above.

Get Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts, to see if the corporation is considered to have an interest in or signature or other authority over a financial account in a foreign country.

If "Yes" is checked for this question, file Form TD F 90-22.1 by June 30, 1993, with the Department of the Treasury at the address shown on the form. Form TD F 90-22.1 is not a tax return, so do not file it with Form 1120L.

You may get Form TD F 90-22.1 from an IRS Forms Distribution Center or by calling our toll-free number 1-800-TAX-FORM (1-800-829-3676).

Also, if "Yes" is checked for this question, write the name of the foreign country or countries. Attach a separate sheet if more space is needed.

Question 14.—Check the box on line 14 if the corporation elects under section 810(b)(3) to forgo the carryback period for an OLD. If you check this box, do not attach the statement described in Regulations section 7.0(d).

Schedule M—Reconciliation

All filers of Form 1120L must attach a schedule which reconciles their NAIC Annual Statement to their Form 1120L.

Department of the Treasury
Internal Revenue Service

For calendar year 1992, or tax year beginning 1992, and ending 1992
Instructions are separate. See page 1 for Paperwork Reduction Act Notice.

Name
Number and street, and room or suite no. (If a P.O. box, see page 4 of instructions)
City or town, state, and ZIP code

A Employer identification number
B Date incorporated
C Check if a consolidated return (Attach Form 851)

D Check applicable boxes: (1) Final return (2) Change in address (3) Amended return
E Check applicable box if an election has been made under section(s): (1) 953(c)(3)(C) (2) 953(d)

1 Taxable income (Schedule A, line 37)
2 Taxable investment income for electing small companies (Schedule B, line 21)
3 Check if a member of a controlled group (see sections 1561 and 1563)
4 Income tax
5 Enter amount of tax that a reciprocal must include
6 Total. Add lines 4 and 5
7a Foreign tax credit (attach Form 1118)
7b Other credits (see instructions)
7c General business credit. Enter here and check which forms are attached:
7d Credit for prior year minimum tax (attach Form 8827)
8 Total Credits. Add lines 7a through 7d
9 Subtract line 7e from line 6
10 Recapture taxes. Check if from:
11a Alternative minimum tax (attach Form 4626)
11b Environmental tax (attach Form 4626)
12 Personal holding company tax (attach Schedule PH (Form 1120))
13 Total tax. Add lines 8 through 12
14a 1991 overpayment credited to 1992
14b Prior year(s) special estimated tax payments to be applied
14c 1992 estimated tax payments (See instructions)
14d 1992 special estimated tax payments (See instructions)
14e 1992 refund applied for on Form 4466
14f Enter the total of lines 14a through 14c less line 14e
14g Tax deposited with Form 7004
14h Credit by reciprocal for tax paid by attorney-in-fact under section 835(d)
14i Other credits and payments
15 Estimated tax penalty (see page 7 of the instructions). Check if Form 2220 is attached
16 TAX DUE. If line 14j is smaller than the total of lines 13 and 15, enter AMOUNT OWED
17 OVERPAYMENT. If line 14j is larger than the total of lines 13 and 15, enter AMOUNT OVERPAID
18 Enter amount of line 17 you want: Credited to 1993 estimated tax Refunded

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.
Signature of officer Date Title
Preparer's signature Date Check if self-employed Preparer's social security no.
Firm's name (or yours if self-employed) and address E.I. No. ZIP code

Schedule A Taxable Income—Section 832 (See instructions.)

1 Premiums earned (Schedule E, line 7)
2 Dividends (Schedule C, line 14, column (c))
3a Gross interest
b Less interest exempt under section 103
c Taxable interest. Subtract column (b) from column (a)
4 Gross rents
5 Gross royalties
6 Capital gain net income (attach Schedule D (Form 1120))
7 Net gain or (loss) from Form 4797, line 20, Part II (attach Form 4797)
8 Certain mutual fire or flood insurance company premiums (section 832(b)(1)(D))
9 Income on account of special income and deduction accounts
10 Income from protection against loss account (Schedule J, line 2e)
11 Mutual interinsurers or reciprocal underwriters—decrease in subscriber accounts
12 Income from a special loss discount account (attach Form 8816)
13 Other income (attach schedule)
14 Gross income. Add lines 1 through 13
15 Compensation of officers (attach schedule—see instructions)
16a Salaries and wages b Less jobs credit c Balance
17 Agency balances and bills receivable that became worthless during the tax year
18 Rents
19 Taxes
20a Interest b Less tax-exempt interest exp. c Bal.
21 Charitable contributions (see instructions for 10% limitation)
22 Depreciation (attach Form 4562)
23 Depletion
24 Pension, profit-sharing, etc., plans
25 Employee benefit programs
26 Losses incurred (Schedule F, line 13)
27 Additional deduction (attach Form 8816)
28 Other capital losses (Schedule G, line 12, column (g))
29 Dividends to policyholders
30 Mutual interinsurers or reciprocal underwriters—increase in subscriber accounts
31 Other deductions (attach schedule)
32 Total deductions. Add lines 15 through 31
33 Subtotal. Subtract line 32 from line 14
34a Special deduction for section 833 organizations (Schedule H, line 6)
34b Deduction on account of special income and deduction accounts
34c Total. Add lines 34a and 34b
35 Subtotal. Subtract line 34c from line 33
36a Dividends-received deduction (Schedule C, line 26)
36b Net operating loss deduction
36c Total. Add lines 36a and 36b
37 Taxable income (subtract line 36c from line 35). Enter here and on page 1, line 1

Schedule B Part I—Taxable Investment Income of Electing Small Companies—Section 834
(See instructions.)

	(a) Interest received	(b) Amortization of premium		
			1c	
Income				
1a Gross interest				
b Less interest exempt under section 103				
c Taxable interest. Subtract column (b) from column (a)				
2 Dividends (Schedule C, line 14, column (c))			2	
3 Gross rents			3	
4 Gross royalties			4	
5 Gross income from a trade or business other than an insurance business and from Form 4797			5	
6 Income from leases described in sections 834(b)(1)(B) and 834(b)(1)(C)			6	
7 Gain from line 13, Schedule D (Form 1120)			7	
8 Gross investment income. Add lines 1c through 7			8	
Deductions				
9 Real estate taxes			9	
10 Other real estate expenses			10	
11 Depreciation (attach Form 4562)			11	
12 Depletion			12	
13 Trade or business deductions as provided in section 834(c)(8) (attach schedule)			13	
14 Interest			14	
15 Other capital losses (Schedule G, line 12, column (g))			15	
16 Total. Add lines 9 through 15			16	
17 Investment expenses (attach schedule)			17	
18 Total deductions. Add lines 16 and 17			18	
19 Subtract line 18 from line 8			19	
20 Dividends-received deduction (Schedule C, line 26)			20	
21 Taxable investment income. Subtract line 20 from line 19. Enter here and on page 1, line 2			21	

Part II—Invested Assets Book Values

(Complete only if claiming a deduction for general expenses allocated to investment income.)

	(a) Beginning of tax year	(b) End of tax year	
22 Real estate	22		
23 Mortgage loans	23		
24 Collateral loans	24		
25 Policy loans, including premium notes	25		
26 Bonds of domestic corporations	26		
27 Stock of domestic corporations	27		
28 Government obligations, etc.	28		
29 Bank deposits bearing interest	29		
30 Other interest-bearing assets (attach schedule)	30		
31 Total. Add lines 22 through 30	31		
32 Add columns (a) and (b), line 31		32	
33 Mean of invested assets for the tax year. Enter one-half of line 32		33	
34 Multiply line 33 by .0025		34	
35 Income base. Line 1b, column (a) plus line 8 less the sum of line 1b column (b) and line 16	35		
36 Multiply line 33 by .0375	36		
37 Subtract line 36 from line 35. Do not enter less than zero	37		
38 Multiply line 37 by .25		38	
39 Limitation on deduction for investment expenses. Add lines 34 and 38		39	

Schedule C Dividends and Special Deductions
(See instructions.)

	Dividends Received		(c) Total dividends-received (A) plus (B)
	(a) Not subject to section 832(b)(5)(B)	(b) Subject to section 832(b)(5)(B)	
Income			
1 Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)	1		
2 Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)	2		
3 Dividends on debt-financed stock of domestic and foreign corporations	3		
4 Dividends on certain preferred stock of less-than-20%-owned public utilities	4		
5 Dividends on certain preferred stock of 20%-or-more-owned public utilities	5		
6 Dividends on stock of certain less-than-20%-owned foreign corporations and certain FSCs	6		
7 Dividends on stock of certain 20%-or-more-owned foreign corporations and certain FSCs	7		
8 Dividends on stock of wholly owned foreign subsidiaries and FSCs	8		
9 Dividends from affiliated companies	9		
10 Other dividends from foreign corporations not included on lines 6, 7, and 8	10		
11 Income from controlled foreign corporations under sub-part F (attach Forms 5471)	11		
12 Foreign dividend gross-up (section 78)	12		
13 Other dividends (attach schedule)	13		
14 Total dividends. Add lines 1 through 13. Enter here and on Schedule A, line 2, or Schedule B, line 2, whichever applies	14		
Deduction			
15 Multiply line 1 by 70%	15		
16 Multiply line 2 by 80%	16		
17 Deduction for line 3 (see instructions)	17		
18 Multiply line 4 by 41.176%	18		
19 Multiply line 5 by 47.059%	19		
20 Multiply line 6 by 70%	20		
21 Multiply line 7 by 80%	21		
22 Enter the amount from line 8	22		
23 Total. Add lines 15 through 22. (See instructions for limitation.)	23		
24 Enter the amount from line 9	24		
25 Total. Add line 23, column (b), and line 24, column (b). Enter here and on Schedule F, line 10	25		
26 Dividends-received deduction. Add line 23, column (c), and line 24, column (c). Enter here and on Schedule A, line 36a, or Schedule B, line 20, whichever applies		26	

Schedule E Premiums Earned—Section 832 (See instructions.)

1	Net premiums written		1
2	Plus: Unearned premiums on outstanding business at the end of the preceding tax year:		
a	Enter 100% of life insurance reserves included in unearned premiums (section 832(b)(7)(A)) and all unearned premiums of section 833 organizations	2a	
b	Enter 90% of unearned premiums attributable to insuring certain securities	2b	
c	Discounted unearned premiums attributable to title insurance	2c	
d	Enter 80% of all other unearned premiums	2d	
e	Total. Add lines 2a through 2d	2e	
3	Total. Add lines 1 and 2e	3	
4	Less: Unearned premiums on outstanding business at the end of the current tax year:		
a	Enter 100% of life insurance reserves included in unearned premiums (section 832(b)(7)(A)) and all unearned premiums of section 833 organizations	4a	
b	Enter 90% of unearned premiums attributable to insuring certain securities	4b	
c	Discounted unearned premiums attributable to title insurance	4c	
d	Enter 80% of all other unearned premiums	4d	
e	Total. Add lines 4a through 4d	4e	
5	Subtract line 4e from line 3	5	
6	Transitional adjustment. (Fiscal year filers see instructions.)		
a	Unearned premiums (other than title, life, and those described in sections 832(b)(7)(B) and 833) as of 12/31/86	6a	
b	Multiply line 6a by .033333	6b	
c	Unearned premiums attributable to insuring certain securities as of 12/31/86	6c	
d	Multiply line 6c by .016667	6d	
e	Adjustment for corporations terminating as an insurance company taxable under section 831(a)	6e	
f	Total. Add lines 6b, 6d, and 6e	6f	
7	Premiums earned. Add lines 5 and 6f. Enter here and on Schedule A, line 1	7	

Schedule F Losses Incurred—Section 832 (See instructions.)

1	Losses paid during the tax year (attach schedule)		1
2	Plus the balance outstanding at the end of the current tax year for:		
a	Unpaid losses on life insurance contracts	2a	
b	Discounted unpaid losses	2b	
c	Total. Add lines 2a and 2b	2c	
3	Add lines 1 and 2c	3	
4	Less the balance outstanding at the end of the preceding tax year for:		
a	Unpaid losses on life insurance contracts	4a	
b	Discounted unpaid losses	4b	
c	Total. Add lines 4a and 4b	4c	
5	Subtract line 4c from line 3	5	
6	Estimated salvage and reinsurance recoverable as of the end of the preceding tax year	6	
7	Estimated salvage and reinsurance recoverable as of the end of the current tax year	7	
8	Losses incurred (line 5 plus line 6 less line 7)	8	
9	Tax-exempt interest subject to section 832(b)(5)(B)	9	
10	Dividends-received deduction subject to section 832(b)(5)(B)—Enter the amount from Schedule C, line 25	10	
11	Total. Add lines 9 and 10	11	
12	Reduction of deduction under section 832(b)(5)(B). Multiply line 11 by .15	12	
13	Losses incurred deductible under section 832(c)(4). Subtract line 12 from line 8. Enter here and on Schedule A, line 26	13	

Schedule G Other Capital Losses (See instructions.)

(Capital assets sold or exchanged to meet abnormal insurance losses and to pay dividends and similar distributions to policyholders.)

1	Dividends and similar distributions paid to policyholders		1
2	Losses paid		2
3	Expenses paid		3
4	Total. Add lines 1, 2, and 3		4
5	Interest received	5	
6	Dividends received (Schedule C, line 14, column (c))	6	
7	Gross rents, gross royalties, lease income, etc., and gross income from a trade or business other than an insurance business including income from Form 4797 (include gains for invested assets only)	7	
8	Net premiums received	8	
9	Total. Add lines 5 through 8	9	
10	Limitation on gross receipts from sales of capital assets. Subtract line 9 from line 4. If zero or less, enter zero		10

(a) Description of capital asset	(b) Date acquired	(c) Gross sales price	(d) Cost or other basis	(e) Expense of sale	(f) Depreciation allowed (or allowable)	(g) Loss (if (d) plus (e) less the sum of (c) and (f))
11						
12	Totals—column (c) must not be more than line 10. (Enter amount from column (g) in Schedule A, line 28, or Schedule B, line 15, whichever applies)					

Schedule H Special Deduction And Ending Adjusted Surplus for Section 833 Organizations (See instructions.)

1	Health care claims incurred during the tax year		1
2	Expenses incurred during the tax year in connection with the administration, adjustment, or settlement of health care claims		2
3	Total. Add lines 1 and 2		3
4	Multiply line 3 by .25		4
5	Beginning adjusted surplus (see instructions)		5
6	Special deduction. Subtract line 5 from line 4. If zero or less, enter zero. Enter here and on Schedule A, line 34a. (See instructions for limitation.)		6
7	Net operating loss deduction (Schedule A, line 36b)		7
8	Net exempt income (see instructions):		
a	Adjusted tax-exempt income		8a
b	Adjusted dividends-received deduction		8b
9	Taxable income (Schedule A, line 37)		9
10	Ending adjusted surplus. Add lines 5 through 9		10

Schedule I Other Information

	Yes	No		Yes	No
1 Check method of accounting:			6 Was the corporation a U.S. shareholder of any controlled foreign corporation? (See sections 951 and 957.)		
a <input type="checkbox"/> Cash			If "Yes," attach Form 5471 for each such corporation.		
b <input type="checkbox"/> Accrual			Enter number of Forms 5471 attached ▶		
c <input type="checkbox"/> Other (specify) ▶			7 At any time during the 1992 calendar year, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial accounts)? If "Yes," the corporation may have to file Form TD F 90-22.1.		
2 Check box for kind of company:			If "Yes," enter the name of the foreign country. ▶		
a <input type="checkbox"/> Mutual			8 Was the corporation the grantor of, or transferor to, a foreign trust that existed during the current tax year, whether or not the corporation has any beneficial interest in it? (If "Yes," the corporation may be required to file Form 926, 3520, or 3520-A.)		
b <input type="checkbox"/> Stock			9 Has the corporation elected to use its own payout pattern for discounting unpaid losses and unpaid loss adjustment expenses?		
3 Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).)			10a Enter the total unpaid losses shown on the corporation's annual statement:		
If "Yes," attach a schedule showing:			(1) for the current tax year: \$		
(a) name, address, and identification number;			(2) for the previous tax year: \$		
(b) percentage owned; and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year.			b Enter the total unpaid loss adjustment expenses shown on the corporation's annual statement:		
4 Did any individual, partnership, corporation, estate, or trust, at the end of the tax year, own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) If "Yes," complete a, b, and c below			(1) for the current tax year: \$		
a Is the corporation a subsidiary in an affiliated group or a parent-subsidary controlled group?			(2) for the previous tax year: \$		
b Enter the name and identifying number of the parent corporation or other entity with 50% or more ownership ▶			11 Does the corporation discount any of the loss reserves shown on its annual statement?		
c Enter percentage owned ▶			12 Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$		
5 Did one foreign person at any time during the tax year own, directly or indirectly, at least 25% of:			13 If the corporation has an NOL for the tax year and is electing under sec. 172(b)(3) to forgo the carryback period, check here <input type="checkbox"/>		
a the total voting power of all classes of stock of the corporation entitled to vote, or					
b the total value of all classes of stock of the corporation?					
If "Yes:"					
(a) Enter percentage owned ▶					
(b) Enter owner's country ▶					
(c) The corporation may have to file Form 5472. (See page 15 of the instructions for penalties that may apply.) Enter number of Forms 5472 attached ▶					

Schedule J Subtractions From Protection Against Loss Account (See instructions.)
(References are to section 824(d)(1) prior to its repeal by P.L. 99-514.)

	1	
1 Balance at the beginning of the year		
2 Subtractions (attach computation of any items on lines 2a through 2d):		
a Section 824(d)(1)(B)	2a	
b Section 824(d)(1)(C)	2b	
c Section 824(d)(1)(D)	2c	
d Section 824(d)(1)(E)	2d	
e Total. Add lines 2a through 2d. Enter here and on Schedule A, line 10	2e	
3 Balance at the end of the year. Subtract line 2e from line 1.	3	

Schedule L Balance Sheets (All filers are required to complete this schedule.)

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities (see instructions)				
6 Other current assets (attach schedule)				
7 Loans to stockholders				
8 Mortgage and real estate loans				
9 Other investments (attach schedule)				
10a Buildings and other depreciable assets				
b Less accumulated depreciation				
11a Depletable assets				
b Less accumulated depletion				
12 Land (net of any amortization)				
13a Intangible assets (amortizable only)				
b Less accumulated amortization				
14 Other assets (attach schedule)				
15 Total assets				
Liabilities and Stockholders' Equity				
16 Accounts payable				
17 Mortgages, notes, bonds payable in less than 1 year				
18 Insurance liabilities (See instructions)				
19 Other current liabilities (attach schedule)				
20 Loans from stockholders				
21 Mortgages, notes, bonds payable in 1 year or more				
22 Other liabilities (attach schedule)				
23 Capital stock: a Preferred stock				
b Common stock				
24 Paid-in or capital surplus				
25 Retained earnings—Appropriated (attach schedule)				
26 Retained earnings—Unappropriated				
27 Less cost of treasury stock				
28 Total liabilities and stockholders' equity				

Schedule M-1 Reconciliation of Income (Loss) per Books with Income per Return (See instructions.)

(The corporation is not required to complete Schedules M-1 and M-2 below if the total assets on line 15, column (c), of Schedule L are less than \$25,000.)

1 Net income (loss) per books		7 Income recorded on books this year not included in this return (itemize)	
2 Federal income tax		a Tax-exempt interest \$	
3 Excess of capital losses over capital gains		8 Deductions in this tax return not charged against book income this year (itemize)	
4 Income subject to tax not recorded on books this year (itemize)		a Depreciation \$	
5 Expenses recorded on books this year not deducted in this return (itemize)		b Contributions carryover \$	
a Depreciation \$		9 Add lines 7 and 8	
b Contributions carryover \$		10 Income (Schedule A, line 35)—subtract line 9 from line 6	
c Travel and entertainment \$			
6 Add lines 1 through 5			

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (line 26, Schedule L)

1 Balance at beginning of year		5 Distributions:	a Cash	
2 Net income (loss) per books		b Stock		
3 Other increases (itemize)		c Property		
		6 Other decreases (itemize)		
		7 Add lines 5 and 6		
4 Add lines 1, 2, and 3		8 Balance at end of year (subtract line 7 from line 4)		

1992


 Department of the Treasury
 Internal Revenue Service

Instructions for Form 1120-PC

U.S. Property and Casualty Insurance Company Income Tax Return

(Section references are to the Internal Revenue Code unless otherwise noted.)

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Recordingkeeping	104 hr., 16 min.
Learning about the law or the form	33 hr., 47 min.
Preparing the form	55 hr., 35 min.
Copying, assembling, and sending the form to the IRS	5 hr., 22 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. You can write to both the Internal Revenue Service, Washington, DC 20224, Attention: IRS Reports Clearance Officer, T:FP; and the Office of Management and Budget, Paperwork Reduction Project (1545-1027), Washington, DC 20503. DO NOT send the tax form to either of these offices. Instead, see **Where To File**.

General Instructions

Purpose of Form

Form 1120-PC, U.S. Property and Casualty Insurance Company Income Tax Return, is used to report income, gains, losses, deductions, credits, and to figure the income tax liability of insurance companies other than life insurance companies.

Who Must File

Every domestic nonlife insurance company and every foreign corporation carrying on an insurance business in the U.S. that would qualify as a nonlife insurance company subject to taxation under section 831, if it were a U.S. corporation, must file Form 1120-PC. This includes organizations described in section 501(m)(1) that provide commercial-type insurance and organizations described in section 833.

Exceptions.—A nonlife insurance company that is:

- Exempt under section 501(c)(15) should file Form 990, Return of Organization Exempt from Income Tax.
- Subject to taxation under section 831, and disposes of its insurance business and reserves, or otherwise ceases to be taxed under section 831, but continues its corporate existence while winding up and liquidating its affairs, should file Form 1120, U.S. Corporation Income Tax Return.

Life insurance companies.—Life insurance companies should file Form 1120L, U.S. Life Insurance Company Income Tax Return.

When To File

In general, a corporation must file its income tax return by the 15th day of the 3rd month after its tax year ends. A new corporation filing a short period return must generally file by the 15th day of the 3rd month after the short period ends. A corporation that has dissolved must generally file by the 15th day of the 3rd month after the date of dissolution. A foreign corporation that does not maintain an office or place of business in the U.S. has until the 15th day of the 6th month after the end of its tax year to file.

Extension.—File Form 7004, Application for Automatic Extension of Time To File Corporation Income Tax Return, to request a 6-month extension of time to file.

Where To File

If the corporation's principal business, office, or agency is located in	Use the following Internal Revenue Service Center address
New Jersey, New York (New York City and counties of Nassau, Rockland, Suffolk, and Westchester)	Holtsville, NY 00501
New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	Andover, MA 05501
Florida, Georgia, South Carolina	Atlanta, GA 39901
Kansas, New Mexico, Oklahoma, Texas	Austin, TX 73301
Indiana, Kentucky, Michigan, Ohio, West Virginia	Cincinnati, OH 45999
Illinois, Iowa, Minnesota, Missouri, Wisconsin	Kansas City, MO 64999
Alabama, Arkansas, Louisiana, Mississippi, North Carolina, Tennessee	Memphis, TN 37501
Alaska, Arizona, California (counties of Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba), Colorado, Idaho, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming	Ogden, UT 84201
California (all other counties), Hawaii	Fresno, CA 93898
Delaware, District of Columbia, Maryland, Pennsylvania, Virginia	Philadelphia, PA 19255

Corporations having their principal place of business outside the United States or claiming a possessions tax credit (section 836) must file with the Internal Revenue Service Center, Philadelphia, PA 19255.

A group of corporations located in several service center regions will often keep all the books and records at the principal office of the managing corporation. If this is the case, the income tax returns of the corporations may be filed with the service center region in which this principal office is located.

Who Must Sign

The return must be signed and dated by the president, vice-president, treasurer, assistant treasurer, chief accounting officer, or any other corporate officer (such as tax officer) authorized to sign. Receivers, trustees, or assignees must sign and date any return filed on behalf of a corporation.

If a corporate officer prepared Form 1120-PC, the Paid Preparer's space should remain blank. Anyone who prepares Form 1120-PC but does not charge the corporation, should not sign the return. Generally, anyone who is paid to prepare the return must sign it and fill in the Paid Preparer's Use Only area.

The paid preparer must complete the required preparer information and:

- Sign it, by hand, in the space provided for the preparer's signature. (Signature stamps and labels are not acceptable.)
- Give a copy of the return to the taxpayer.

Accounting Methods.—Taxable income must be computed using the method of accounting regularly used in keeping the corporation's books and records.

Generally, permissible methods include the cash, accrual, or any other method authorized by the Internal Revenue Code. In all cases, the method used must clearly show taxable income.

Generally, a corporation (other than a qualified personal service corporation) must use the accrual method of accounting if its average annual gross receipts exceed \$5 million. See section 448(c).

Under the accrual method, an amount is includable in income when all the events have occurred that fix the right to receive the income and the amount can be determined with reasonable accuracy. See Regulations section 1.451-1(a) for details.

Generally, an accrual basis taxpayer can deduct accrued expenses in the tax year in which all events that determine the liability have occurred, and the amount of the liability can be figured with reasonable accuracy and economic performance takes place with respect to the expense. There are exceptions for recurring items. See section 461(h) and the related regulations for more information.

Generally, the corporation may change the method of accounting used to report taxable income (for income as a whole

or for any material item) only by getting consent on Form 3115, Application for Change in Accounting Method. For more information, get Pub. 538, Accounting Periods and Methods.

Rounding Off to Whole Dollars

The corporation may show amounts on the return and accompanying schedules as whole dollars. To do so, drop any amount less than 50 cents and increase any amount from 50 cents through 99 cents to the next higher dollar.

Recordkeeping

The corporation's records should be kept for as long as they may be needed for the administration of any provision of the Internal Revenue Code. Usually, records that support an item of income, deduction, or credit on the return must be kept for 3 years from the date the return is due or filed, whichever is later. Keep records that verify the corporation's basis in property for as long as they are needed to figure the basis of the original or replacement property.

The corporation should also keep copies of any returns it has filed. They help in preparing future returns and in making computations when filing an amended return.

Deposit Method of Tax Payment

The corporation must pay the tax due in full when the return is filed but no later than the 15th day of the 3rd month after the end of the tax year.

Deposit corporation income tax payments (and estimated tax payments) with a Form 8109, Federal Tax Deposit Coupon. Do not send deposits directly to an IRS office. Mail or deliver the completed Form 8109 with the payment to a qualified depository for Federal taxes or to the Federal Reserve bank (FRB) servicing the corporation's geographic area. Make checks or money orders payable to that depository or FRB.

To help ensure proper crediting, write the corporation's employer identification number, the tax period to which the deposit applies, and "Form 1120-PC" on the check or money order. Be sure to darken the "1120" box on the coupon. These records of deposits will be sent to the IRS.

A penalty may be imposed if the deposits are mailed or delivered to an IRS office rather than to an authorized depository or FRB.

For more information on deposits, see the instructions in the coupon booklet (Form 8109) and Pub. 583, Taxpayers Starting a Business.

Caution: If the corporation owes tax when it files Form 1120-PC, do not include the payment with the tax return. Instead, mail or deliver the payment with Form 8109 to a qualified depository or FRB.

Estimated Tax Payments

Generally, a corporation must make installment payments of estimated tax if it expects its estimated tax (income tax minus credits) to be \$500 or more. For a calendar or fiscal year corporation, the installments are due by the 15th day of the 4th, 6th, 9th, and 12th months of the tax year. If any date falls on a Saturday, Sunday, or legal holiday, the installment is due on the next regular workday. Use Form 1120-W, Corporation Estimated Tax, as a worksheet to compute estimated tax. Use the deposit coupons (Form 8109) to make deposits of estimated tax. For information on estimated tax payments, including penalties that apply if the corporation fails to make required payments, see the instructions for line 15 on page 7.

If the corporation overpaid estimated tax, it may be able to get a "quick refund" by filing Form 4466, Corporation Application for Quick Refund of Overpayment of Estimated Tax. The overpayment must be at least 10% of expected income tax liability, and at least \$500. To apply for a quick refund, file Form 4466 before the 16th day of the 3rd month after the end of the tax year, but before the corporation files its income tax return. Do not file Form 4466 before the end of the corporation's tax year.

Caution: Foreign insurance companies, see Notice 90-13, 1990-1 C.B. 321, before computing estimated tax.

Interest and Penalties

Interest.—Interest is charged on taxes not paid by the due date, even if an extension of time to file is granted. Interest is also charged on penalties imposed for failure to file, negligence, fraud, gross valuation overstatements, and substantial understatements of tax from the due date (including extensions) to the date of payment. The interest charge is figured at a rate determined under section 6621.

Late filing of return.—A corporation that does not file its tax return by the due date, including extensions, may have to pay a penalty of 5% of the unpaid tax for each month or part of a month the return is late, up to a maximum of 25% of the unpaid tax. The minimum penalty for a return that is more than 60 days late is the smaller of the tax due or \$100. The penalty will not be imposed if the corporation can show that the failure to file on time was due to reasonable cause. Corporations that file

late must attach a statement explaining the reasonable cause.

Late payment of tax.—A corporation that does not pay the tax when due may have to pay a penalty of 1/2 of 1% of the unpaid tax for each month or part of a month the tax is not paid, up to a maximum of 25% of the unpaid tax. This penalty may also apply to any additional tax not paid within 10 days of the date of the notice and demand for payment. The penalty will not be imposed if the corporation can show that the failure to pay on time was due to reasonable cause.

Other penalties.—Other penalties can be imposed for negligence, substantial understatement of tax, and fraud. See sections 6662 and 6663.

Unresolved Tax Problems

The IRS has a Problem Resolution Program for taxpayers who have been unable to resolve their problems with the IRS. If the corporation has a tax problem, it has been unable to resolve through normal channels, write to the corporation's local IRS district director or call the corporation's local IRS office and ask for Problem Resolution Assistance. Hearing-impaired persons who have access to TDD equipment may call 1-800-829-4059 to ask for help. The Problem Resolution office will ensure that your problem receives proper attention. Although the office cannot change the tax law or make technical decisions, it can help clear up problems that resulted from previous contacts.

Other Forms, Returns, and Statements That May Be Required

Forms

The corporation may have to file the following:

Form W-2, Wage and Tax Statement, and Form W-3, Transmittal of Income and Tax Statements.

Form 940 or Form 940-EZ, Employer's Annual Federal Unemployment (FUTA) Tax Return. The corporation may be liable for FUTA tax and may have to file Form 940 or 940-EZ if it paid wages of \$1,500 or more in any calendar quarter or one or more employees worked for the corporation for some part of a day in any 20 different weeks during the calendar year.

Form 941, Employer's Quarterly Federal Tax Return. Employers must file this form quarterly to report income tax withheld and employer and employee social security and Medicare taxes.

Caution: A 100% penalty may apply if income, social security, and Medicare taxes that must be withheld are not withheld or are not paid to the IRS. The penalty is 100% of the unpaid taxes. The

100% penalty may be imposed on all persons who are determined by the IRS to be responsible for collecting, accounting for, and paying over these taxes, and who acted willfully in not doing so. See Circular E, Employer's Tax Guide, for more details.

Form 838, Corporate Dissolution or Liquidation.

Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons, and Form 1042S, Foreign Person's U.S. Source Income Subject to Withholding. Use these forms to report and transmit withheld tax on payments or distributions made to nonresident alien individuals, foreign partnerships, or foreign corporations to the extent such payments or distributions constitute gross income from sources within the U.S. (see sections 861 through 865). For more information, see sections 1441 and 1442, and Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations.

Form 1083, Annual Summary and Transmittal of U.S. Information Returns.

Form 1083, Mortgage Interest Statement. This form is used to report the receipt from any individual of \$600 or more of mortgage interest and points in the course of the corporation's trade or business for any calendar year.

Forms 1099-A, B, DIV, INT, MISC, OID, PATR, R, and S. These information returns are for reporting abandonments, acquisitions through foreclosure, proceeds from brokers and barter exchange transactions, certain dividends and distributions, interest payments, payments for certain fishing boat crew members, medical and dental health care payments, direct sales of consumer goods for resale, miscellaneous income payments, nonemployee compensation, original issue discount, patronage dividends, and distributions from profit-sharing plans, retirement plans, individual retirement arrangements, insurance contracts, etc., and proceeds from real estate transactions. Also use these returns to report amounts that were received as a nominee on behalf of another person.

For more information, see the instructions for Form 1099 and Pub. 937, Employment Taxes and Information Returns.

Note: Every corporation must file Form 1099-MISC if, in the course of its trade or business, it makes payments of rents, commissions, or other fixed or determinable income (see section 6041) totaling \$600 or more to any one person during the calendar year.

Form 5452, Corporate Report of Nondividend Distributions.

Form 5428, Individual Retirement Arrangement Information. Use this form to report contributions (including rollover

contributions) to an individual retirement arrangement (IRA) and the value of an IRA or simplified employee pension (SEP) account.

Form 5713, International Boycott Report, for persons having operations in or related to "boycotting" countries. Also, persons who participate in or cooperate with an international boycott may have to complete Schedule A or Schedule B and Schedule C of Form 5713 to compute their loss of the following items: the foreign tax credit, the deferral of earnings of a controlled foreign corporation, IC-DISC benefits, and FSC benefits.

Form 8234, Application for Registration of a Tax Shelter. This form is used by tax shelter organizers to register tax shelters with the IRS for the purpose of receiving a tax shelter registration number.

Form 8271, Investor Reporting of Tax Shelter Registration Number. Taxpayers who have acquired an interest in a tax shelter, which is required to be registered, use this form to report the tax shelter's registration number. Form 8271 must be attached to any tax return (including an application for tentative refund (Form 1139, Corporation Application for Tentative Refund) or an amended return) on which a deduction, credit, loss, or other tax benefit attributable to a tax shelter is taken or any income attributable to a tax shelter is reported.

Form 8275, Disclosure Statement. Form 8275 is used by taxpayers and income tax preparers to disclose items or positions, except those contrary to a regulation (see Form 8275-R, below), that are not otherwise adequately disclosed on a tax return. The disclosure is made to avoid parts of the accuracy-related penalty imposed for negligence, disregard of rules, or substantial understatement of tax. Form 8275 is also used for disclosures relating to preparer penalties for understatements due to unrealistic positions or for willful or reckless conduct.

Form 8275-R, Regulation Disclosure Statement. This form is used to disclose any item on a tax return for which a position has been taken that is contrary to Treasury regulations.

Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments. This form is generally required to be filed by issuers of public offerings of debt instruments within 30 days of the issuance of the debt instrument.

Form 8300, Report of Cash Payments Over \$10,000 Received in a Trade or Business. Generally, this form is used to report the receipt of more than \$10,000 in cash or foreign currency in one

transaction or a series of related transactions.

After February 2, 1992, cashier's checks, bank drafts, and money orders with face amounts of \$10,000 or less are considered cash under certain circumstances. For more information, see Form 8300 and Regulations section 1.60501-1(c).

Form 8564, Asset Acquisition Statement, must be filed by both the purchaser and seller of a group of assets constituting a trade or business if goodwill or a going concern value attaches, or could attach, to such assets and if the purchaser's basis in the assets is determined only by the amount paid for the assets.

Form 8816, Special Loss Account and Special Estimated Tax Payments for Insurance Companies. This form must be filed by any insurance company that elects to take an additional deduction under section 847.

Consolidated Return

If an affiliated group of corporations includes one or more domestic life insurance companies taxed under section 801, the common parent may elect to treat those life insurance companies as includible corporations. The life insurance companies must have been members of the group for the 5 tax years immediately preceding the tax year for which the election is made. See section 1504(c)(2) and Regulations section 1.1502-47(d)(12).

The parent corporation of an affiliated group of corporations must attach Form 851, Affiliations Schedule, to the consolidated return. For the first year a consolidated return is filed, each subsidiary must attach Form 1122, Authorization and Consent of Subsidiary Corporation To Be Included in a Consolidated Income Tax Return.

File supporting statements for each corporation included in the consolidated return. Use columns to show the following, both before and after adjustments:

- o Items of gross income and deductions.
- o A computation of taxable income.
- o Balance sheets as of the beginning and end of the tax year.
- o A reconciliation of income per books with income per return.
- o A reconciliation of retained earnings.

Attach consolidated balance sheets and a reconciliation of consolidated retained earnings.

Note: If a nonlife insurance company is a member of an affiliated group, file Form 1120-PC as an attachment to the consolidated return in lieu of filing supporting statements. Write across the top of page 1 of Form 1120-PC,

"Supporting Statement to Consolidated Return."

Statements

NAIC annual statement.—Regulations section 1.6012-2(c) requires that the NAIC annual statement be filed with Form 1120-PC. A penalty for the late filing of a return may be imposed for not including the annual statement when the return is filed.

Stock ownership in foreign corporations.—Attach the statement required by section 551(c) if (a) the corporation owned 5% or more in value of the outstanding stock of a foreign personal holding company and (b) the corporation was required to include in its gross income any undistributed foreign personal holding company income from a foreign personal holding company.

A corporation may have to file Form 5471, Information Return of U.S. Persons With Respect to Certain Foreign Corporations, if any of the following applies:

1. It controls a foreign corporation.
2. It acquires, disposes of, or owns 5% or more in value of the outstanding stock of a foreign corporation.
3. It is a 10% or more shareholder of a foreign personal holding company.
4. It owns stock in a foreign corporation that is a controlled foreign corporation for an uninterrupted period of 30 days or more during the tax year of the foreign corporation that ends with or within its tax year, and it owned that stock on the last day of the foreign corporation's tax year.

Foreign ownership in a domestic corporation.—A domestic corporation that is 25% or more foreign-owned may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. See the instructions on page 15 for more information.

Transfers to a corporation controlled by the transferor.—If a person receives stock of a corporation in exchange for property, and no gain or loss is recognized under section 351, the person (transferor) and the transferee must each attach to their tax returns the information required by Regulations section 1.351-3.

Attachments

Attach Form 4133, Credit for Federal Tax Paid on Fuels, after page 8. Attach schedules in alphabetical order and other forms in numerical order after Form 4136.

To assist us in processing the return, please complete every applicable entry space on Form 1120-PC. Do not write "See attached" instead of completing the entry spaces. If you need more space on the forms or schedules, attach

separate sheets and show the same information in the same order as on the printed forms. But show your totals on the printed forms. Please use sheets that are the same size as the forms and schedules. Attach these separate sheets after all the schedules and forms. Be sure to put the corporation's name and EIN on each sheet.

Specific Instructions

Period Covered.—File the 1992 return for calendar year 1992.

Address and Employer Identification Number (EIN)

Address.—Include the suite, room, or other unit number after the street address.

If the Post Office does not deliver mail to the street address and the corporation has a P.O. box, show the box number instead of the street address.

Note: If a change in address occurs after the return is filed, the corporation should use Form 8822, Change of Address, to notify the IRS of the new address.

Item A. Employer identification number.—Show the correct EIN in item A on page 1 of Form 1120-PC. If the corporation does not have an EIN, it should apply for one on Form SS-4, Application for Employer Identification Number. Form SS-4 can be obtained at most IRS or Social Security Administration (SSA) offices. If the corporation has not received its EIN by the time the return is due, write "Applied for" in the space provided for the EIN. See Pub. 583 for more information.

Item D.—Indicate a final return, change of address, or amended return, by checking the appropriate box.

Item E.—Check the applicable box if the corporation is a foreign corporation and elects under: (1) section 953(c)(3)(C) to treat its related person insurance income as effectively connected with the conduct of a trade or business in the U.S., or (2) section 953(d) to be treated as a domestic corporation. Generally, a foreign corporation making either election must file its return with the Internal Revenue Service Center, Philadelphia, PA 19255. See Notice 87-50, 1987-2 C.B. 357, and Notice 89-79, 1989-2 C.B. 392, for the procedural rules for making the respective elections under section 953(c)(3)(C) or section 953(d). To make a valid election, the corporation must file an election statement at the addresses given in Notice 87-50 and Notice 89-79. These notices provide formats for the election statements for each election.

Note: Once either election is made, it will apply to the tax year for which it is made, and all subsequent tax years unless revoked with the consent of the

Secretary. Also, any loss of a foreign corporation electing to be treated as a domestic insurance company under section 953(d), will be treated as a dual consolidated loss and will not be allowed to reduce the taxable income of any other member of the affiliated group for this tax year or any other tax year.

Taxable Income

Line 1. Taxable income, and line 2. Taxable investment income.—If the corporation is a small company as defined in section 831(b)(2) and elects under section 831(b)(2)(A)(i) to be taxed on taxable investment income, complete Schedule B (ignore Schedule A) and enter the amount from Schedule B, line 21, on line 2, page 1. All other corporations should complete Schedule A (ignore Schedule B) and enter on line 1, page 1, the amount from Schedule A, line 37.

Tax Computation and Payments

Page 1, lines 3 through 18

Most corporations figure their tax by using the Tax Rate Schedule below. Exceptions apply to members of a controlled group and qualified personal service corporations. See the instructions below the Tax Rate Schedule for more information.

Tax Rate Schedule

If the amount on line 1 or 2, page 1, Form 1120-PC is:

Over—	But not over—	Tax at:	Of the amount over—
\$ 0	\$50,000	15%	\$ 0
50,000	75,000	7,500 + 25%	50,000
75,000	100,000	13,750 + 34%	75,000
100,000	335,000	22,250 + 36%	100,000
335,000	-----	34%	0

Members of a controlled group.—A member of a controlled group, as defined in section 1563, must check the box on line 3 and complete lines 3a(i) and 3a(ii) on page 1.

Members of a controlled group are entitled to one \$50,000 and one \$25,000 taxable income bracket amount (in that order) on line 3a.

When a controlled group adopts or later amends an apportionment plan, each member must attach to its tax return a copy of its consent to this plan. The copy (or an attached statement) must show the part of the amount in each taxable income bracket apportioned to that member. There are other requirements as well. See Regulations section 1.1563-3(b) for the

requirements and for the time and manner of making the consent.

Equal apportionment plan. If no apportionment plan is adopted, the members of the controlled group must divide the amount in each taxable income bracket equally among themselves. For example, controlled group AB consists of Corporation A and Corporation B. They do not elect an apportionment plan. Therefore, both Corporation A and Corporation B are entitled to \$25,000 (one-half of \$50,000) in the \$50,000 taxable income bracket on line 3a(i) and to \$12,500 (one-half of \$25,000) in the \$25,000 taxable income bracket on line 3a(ii).

Unequal apportionment plan. Members of a controlled group may elect an unequal apportionment plan and divide the taxable income brackets as they wish. There is no need for consistency between taxable income brackets. Any member of the controlled group may be entitled to all, some, or none of the taxable income bracket. However, the total amount for all members of the controlled group cannot be more than the total amount in each taxable income bracket.

Additional 5% tax. Members of a controlled group are treated as one corporation for purposes of figuring the applicability of the additional 5% tax that must be paid by corporations with taxable income in excess of \$100,000. If the additional tax applies, each member of the controlled group will pay 1/18 tax based on the part of the amount that is used in each taxable income bracket to reduce that member's tax. See section 1561(a). Each member of the group must enter its share of the additional 5% tax on line 3b and attach to its tax return a schedule that shows the taxable income of the entire group as well as how its share of the additional tax was figured.

Deferred tax amount of a shareholder in a passive foreign investment company (section 1291).—If the corporation was a shareholder in a passive foreign investment company (PFIC), and the corporation received an

excess distribution or disposed of its investment in the PFIC during the year, it must include the total increases in taxes due under section 1291(c)(2) in the amount entered on line 4. On the dotted line to the left of line 4, write "Section 1291" and the amount. Do not include on line 4 any interest due under section 1291(c)(3). Instead, write the amount of interest owed in the bottom margin of page 1 and label it "Section 1291 interest." For details, see Form 9821, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund.

Line 5. Enter amount of tax that a reciprocal must include.—A mutual insurance company which is an interinsurer or reciprocal underwriter may elect, under section 835, to limit the deduction for amounts paid or incurred to a qualifying attorney-in-fact to the amount of the deductions of the attorney-in-fact allocable to the income received by this election. If this election is made, any increase in taxable income of a reciprocal as a result of this limitation is taxed at the highest rate of tax specified in section 11(b).

Make no entry on line 5 if the mutual insurance company's taxable income before including the section 835(b) amount is \$100,000 or more. Otherwise, this tax is 34% of the section 835(b) amount. If an entry is made on line 5, attach a statement showing how the tax was computed.

Reciprocal underwriters making the election under section 835(a) are allowed a credit on line 14h for the amount of tax paid by the attorney-in-fact that is attributable to the income received by the attorney-in-fact from the reciprocal in the tax year.

See section 835 and the related regulations for special rules and information regarding the statements required to be attached to the return.

Line 7a. Foreign tax credit.—To find out when a corporation can take this credit for payment of income tax to a foreign country or U.S. possession, see Form 1118, Foreign Tax Credit—Corporations.

Worksheet for Members of a Controlled Group (Keep for your records)

Each member of a controlled group must compute the tax using the worksheet below:

1. Enter taxable income (line 1 or 2, page 1) _____
2. Enter line 1 above or the corporation's share of the \$50,000 taxable income bracket, whichever is less _____
3. Subtract line 2 from line 1 _____
4. Enter line 3 or the corporation's share of the \$25,000 taxable income bracket, whichever is less _____
5. Subtract line 4 from line 3 _____
6. Enter 15% of line 2 _____
7. Enter 25% of line 4 _____
8. Enter 34% of line 5 _____
9. If the taxable income of the controlled group exceeds \$100,000, enter this member's share of the smaller of (a) 5% of the excess over \$100,000 or (b) \$11,750. See Additional 5% tax on this page _____
10. Add lines 6 through 9. Enter here and on line 4, page 1 _____

Line 7b. Other credits.—Possessions tax credit.—For rules on how to elect to claim the possessions tax credit (section 936), see Form 5712, Election to be Treated as a Possessions Corporation Under Section 936. Figure the credit on Form 5735, Possessions Corporation Tax Credit Allowed Under Section 936.

Include the credit in the amount shown on line 7b. On the line to the left of the entry space, write the amount of the credit and identify it as a section 936 credit.

Orphan drug credit.—To find out when a corporation can take this credit and how it is figured, see section 28 and Form 6785, Credit for Increasing Research Activities (or for claiming the orphan drug credit).

Credit for fuel produced from a nonconventional source.—A credit is allowed for the sale of qualified fuels produced from a nonconventional source. Section 29 contains a definition of qualified fuels, provisions for figuring the credit, and other special rules. Attach a separate schedule to the return showing the computation of the credit.

See Form 8827 if any of the 1991 credit was disallowed solely because of the tentative minimum tax limitation. See section 53(d).

Line 7c. General business credit.—Complete this line if the corporation can take any of the following credits. If the corporation has two or more of these credits, a credit carryforward or carryback (including an ESOP credit), or a passive activity credit, Form 3800, General Business Credit, must also be completed. Enter the amount of the general business credit on line 7c, and check the box for Form 3800. If the corporation has only one credit, enter on line 7c the amount of the credit from the form. Also be sure to check the appropriate box for that form.

Investment credit. This credit was generally repealed for property placed in service after 1985. See Form 3468, Investment Credit, for exceptions.

Jobs credit. The corporation may qualify to take this credit if it hired members of special targeted groups during the tax year. See Form 5884, Jobs Credit, for more information.

Note: The corporation may not take an expense deduction for the part of the wages or salaries paid or incurred that is equal to the amount of the jobs credit (determined without regard to the limitation based on the tax (section 38(c))).

Credit for Alcohol Used as Fuel. A corporation may be able to take a credit for alcohol used as fuel. Use Form 8478, Credit for Alcohol Used as Fuel, to figure the credit.

Credit for Increasing Research Activities. See Form 6785, Credit for

Increasing Research Activities, and section 41.

Low-Income Housing Credit. See Form 8586, Low-Income Housing Credit, and section 42.

Enhanced Oil Recovery Credit. A corporation may claim a credit for 15% of its qualified enhanced oil recovery costs. Use Form 6890, Enhanced Oil Recovery Credit, to figure the credit.

Disabled Access Credit. A corporation may be able to take a credit for certain expenditures paid or incurred to assist individuals with disabilities. See Form 8826, Disabled Access Credit, and Section 44.

Line 7d. Credit for Prior Year Minimum Tax. To figure the minimum tax credit and any carryforward of that credit, use Form 8827, Credit for Prior Year Minimum Tax—Corporations.

Line 9. Foreign corporations.—A foreign corporation carrying on an insurance business in the U.S. is taxed as a domestic insurance company on its income effectively connected with the conduct of a trade or business in the United States. See sections 842 and 897, and Notice 89-96, 1989-2 C.B. 417, for more information. See Rev. Proc. 91-27, 1991-1 C.B. 544; Rev. Proc. 91-27A, 1991-1 C.B. 555, for the domestic asset/liability percentages and domestic investment yields needed by foreign insurance companies to compute their minimum effectively connected net investment income under section 842(b).

Income from sources outside the U.S. from U.S. business is treated as effectively connected with the conduct of a trade or business in the United States. For a definition of effectively connected income, see sections 864(c) and 897.

Generally, any other U.S. source income received by a foreign corporation that is not effectively connected with the conduct of a trade or business in the U.S. is taxed at 30% (or at a lower treaty rate).

Note: Interest received from certain portfolio debt investments that were issued after July 18, 1984, is not subject to the tax.

See section 881. If the corporation has this income, attach a schedule showing the kind and amount of income, the tax rate, and the amount of tax.

Additional taxes resulting from the net investment income adjustment may offset a corporation's 30% tax on U.S. source income. The tax reduction is determined by multiplying the 30% tax by the ratio of the amount of income adjustment to income subject to the 30% tax, computed without the exclusion for interest on state and local bonds or income exempted from taxation by treaty. See section 842(c)(2). Attach a statement showing how the reduction under section 881 tax was

figured. Enter the net tax imposed by section 881 on line 9.

Note: Section 953(d) allows a foreign insurance company to elect to be taxed as a domestic corporation. If the corporation makes this election, include the additional tax required to be paid on line 13. Write on the dotted line to the left of line 13, "Sec. 953(d) tax" and the amount. Attach a schedule showing the computation. See Section 953(d) for more details.

Line 10. Recapture taxes

Recapture of investment credit. If the corporation disposed of investment credit property or changed its use before the end of its useful life or recovery period, it may owe a tax. See Form 4255, Recapture of Investment Credit, for details.

Recapture of low-income housing credit. If the corporation disposed of property (or there was a reduction in the qualified basis of the property) on which it took the low-income housing credit, it may owe a tax. See Form 9811, Recapture of Low-Income Housing Credit, and section 42(j) for details.

Line 11a. Alternative minimum tax.—The corporation may owe the alternative minimum tax if it has any of the adjustments and tax preference items listed on Form 4626, Alternative Minimum Tax—Corporations. The corporation must file Form 4626 if its taxable income (loss) combined with these adjustments and tax preference items is more than the smaller of:

- \$40,000, or
- The corporation's allowable exemption amount (from Form 4626).

For this purpose, taxable income does not include the NOL deduction. Get Form 4626 for details. Reduce alternative minimum tax by any amount on Form 3800, Schedule A, line 34. Write on the dotted line to the left of line 11a, "Section 38(c)(2)" and the amount.

Line 11b. Environmental tax.—The corporation may be liable for the environmental tax if the modified alternative minimum taxable income of the corporation exceeds \$2 million. See Form 4626 for details.

Line 12. Personal holding company tax.—A corporation is taxed as a personal holding company (PHC) under section 542 if:

- At least 60% of the corporation's adjusted ordinary gross income for the tax year is PHC income, and
- At any time during the last half of the tax year more than 50% in value of the corporation's outstanding stock is owned, directly or indirectly, by 5 or fewer individuals.

To figure this tax Use Schedule PH (Form 1120), U.S. Personal Holding Company Tax.

Line 13. Total tax

o **Interest on tax attributable to payments received on installment sales of certain timeshares and residential lots.** If the corporation elected to pay interest on the amount of tax attributable to payments received on installment obligations arising from the disposition of certain timeshares and residential lots under section 453(i)(3), it must include the interest due in the amount to be entered on line 13. On the dotted line to the left of line 13, write "Section 453(i)(3) interest" and the amount. Attach a schedule showing the computation.

o **Computation on tax deferred under the installment method for certain nondealer installment obligations.** If an obligation arising from the disposition of property to which section 453A applies is outstanding at the close of the tax year, the corporation must include the interest due under section 453A(c) in the amount on line 13. Write on the dotted line to the left of line 13, "Section 453A(c) interest" and the amount. Attach a schedule showing the computation.

o **Deferred tax and interest on undistributed earnings of a qualified electing fund under section 1294.** Complete Form 8621 to determine the corporation's share of tax attributable to the undistributed earnings of a qualified electing fund, or the deferred tax due, if any, as a result of the termination of a section 1294 election. See the instructions for Form 8621 to figure the amount of tax to include in, or subtract from, the total on line 13. Form 8621 also explains how to report any interest due under section 1294 on the deferred tax.

Line 14a. Prior year(s) special estimated tax payments to be applied.—Enter the portion of the special estimated tax payments made in earlier tax years being applied this year. The amount entered must agree with the amount(s) from line 10, Part II, Form 8816. See Form 8816 and section 847(2) for additional information.

Line 14c. 1992 Estimated tax payments.—Enter the corporation's estimated tax payments for 1992. Do not include any amount being applied on line 14d as a "Special estimated tax payment."

Line 14d. 1992 Special estimated tax payments.—If the deduction under section 847 is claimed on Schedule A, line 27, special estimated tax payments must be made in an amount equal to the tax benefit attributable to the deduction. See Form 8816 and section 847(2) for additional information.

Line 14e. Credit by reciprocal for tax paid by attorney-in-fact under section 835(d).—Enter the amount of tax paid by an attorney-in-fact as a result of income received by the attorney-in-fact

from the reciprocal during the tax year. For more information, see section 835, the related regulations, and the instructions for line 5 on page 5.

Line 14f. Other credits and payments.—Enter the amount of any other credits the corporation may take and/or payments made. Write to the left of the entry space, an explanation of the entry.

Backup withholding.—If the corporation had income tax withheld from any payments it received, because, for example, it failed to give the payer its correct employer identification number, include the amount withheld in the total for line 14f. This type of withholding is called "backup withholding." Show the amount withheld in the blank space in the right hand column between lines 13 and 14f, and label the amount "backup withholding."

Line 14j. Total Payments.—Add the amounts on lines 14f through 14i and enter the total on line 14j.

Line 15. Estimated tax penalty.—A corporation that does not make estimated tax payments when due may be subject to an underpayment penalty for the period of underpayment.

Generally, a corporation is subject to the penalty if its tax liability is \$500 or more, and it did not timely pay the smaller of (a) 93% of its tax liability for 1992 (97% of its tax liability for a tax year beginning after June 30, 1992), or (b) 100% of its prior year's tax. See section 6655 for details and exceptions, including special rules for large corporations.

Form 2220, Underpayment of Estimated Tax by Corporations, is used to see if the corporation owes a penalty and to figure the amount of the penalty. Generally, the corporation does not have to file this form because the IRS can figure the amount of any penalty and bill the corporation for it. However, you must complete and attach Form 2220 even if the corporation does not owe the penalty if:

o The annualized income or adjusted seasonal installment method is used, or

o The corporation is a "large corporation" computing its first required installment based on the prior year's tax. (See the instructions for Form 2220 for the definition of a "large corporation.")

If you attach Form 2220, be sure to check the box on line 15, and enter the amount of any penalty on that line.

Schedule A—Taxable Income

Gross income.—The gross amounts of underwriting and investment income should be computed on the basis of the underwriting and investment exhibit of the NAIC annual statement.

Note: In computing the amounts entered on lines 2, 3, and 4, take all interest,

dividends, or rents received during the year, add interest, dividends, or rents due and accrued at the end of the tax year, and deduct interest, dividends, or rents due and accrued at the end of the preceding tax year. For rules regarding the accrual of dividends, see Regulations section 1.301-1(b).

Line 3a, column (a). Gross interest.—Enter the gross amount of interest income, including all tax-exempt interest.

Line 3b, column (a). Interest exempt under section 103.—Section 103(a) excludes interest on state or local bonds from gross income. This exclusion does not apply to: (1) any private activity bond which is not a qualified bond as defined by section 141; (2) any arbitrage bond as defined by section 148; or (3) any bond not meeting the requirements of section 149 (regarding the registration of tax-exempt bonds).

Lines 3a and 3b, column (b).—Enter on line 3a, column (b), the total amortization of bond premium, including amortization on tax-exempt bonds. Enter on line 3b, column (b), the amortization of bond premium on tax-exempt bonds only.

Note: Insurance companies electing to amortize discount for tax purposes, should reduce the amortization of premium by any amortization of discount.

Line 3c. Taxable interest.—Subtract line 3b from line 3a in columns (a) and (b), then subtract the result in column (b) from the result in column (a) and enter on line 3c.

Line 4. Gross rents.—Enter gross rents, computed as indicated under the instructions for Gross Income. Deduct rental expenses, such as repairs, interest, taxes, and depreciation on the proper lines in the deductions section (lines 15 through 31).

Line 5. Capital gain net income.—Report sales or exchanges of capital assets on Schedule D (Form 1120). The corporation must report every sale or exchange of a capital asset in detail, even though no gain or loss is indicated.

In general, losses from sales or exchanges of capital assets are only allowed to the extent of gains. However, for corporations taxable under section 831, this rule does not apply to losses from capital assets sold or exchanged to get funds needed to meet abnormal insurance losses and to pay dividends and similar distributions to policyholders. The net capital loss for these corporations is the amount by which losses for the year from sales or exchanges of capital assets exceed the gains from these sales or exchanges plus the smaller of:

1. Taxable income (computed without gains or losses from sales or exchanges of capital assets); or

2. Losses from the sale or exchange of capital assets sold or exchanged to obtain funds to meet abnormal insurance losses and to provide for the payment of dividends and similar distributions to policyholders.

Subject to the limitations in section 1212(a), a net capital loss can be carried back 3 years and forward 5 years as a short-term capital loss.

For more information on gains and losses from sales or exchanges of property, see the instructions for Schedule D (Form 1120) and Pub. 544, Sales and Other Dispositions of Assets.

Line 6. Certain mutual fire or flood insurance companies.—Under section 832(b)(1)(D), a mutual fire or flood insurance company whose principal business is the issuance of policies:

1. for which the premium deposits are the same (regardless of the length of the term the policies are written for), and

2. under which the unabsorbed portion of such premium deposits not required for losses, expenses, or establishment of reserves is returned or credited to the policyholder on cancellation or expiration of the policy. If 1 and 2 apply, the corporation must include in income an amount equal to 2% of the premiums earned on insurance contracts during the tax year with respect to such policies returned or credited during the same tax year.

Line 9. Income on account of the apical income and deduction accounts.—Section 832(e) requires corporations which write the kinds of insurance listed below to maintain the following special accounts. A corporation which writes: (1) mortgage guaranty insurance, must maintain a mortgage guaranty account; (2) lease guaranty insurance, must maintain a lease guaranty account; and (3) insurance on obligations the interest on which is excludible from gross income under section 103, must maintain an account with respect to insurance on state and local obligations.

Amounts required to be subtracted from these accounts under sections 832(e)(5) and 832(e)(6) must be reported as income on line 9. See section 832(e) for more information.

Line 11. Mutual interinsurance or reciprocal underwriters—decrease in subscriber accounts.—Enter the decrease for the tax year in savings credited to subscriber accounts of a mutual insurance company that is an interinsurer or reciprocal underwriter. See the instructions for line 30, Schedule A, for a definition of savings credited to subscriber accounts.

Line 12. Income from a special loss discount account.—Enter the total from line 6, Part I, Form 8816. See section 847(5) and the instructions for Form 8816 for more information.

Line 13. Other income.—Enter any other taxable income not reported on lines 1 through 12. List the type and amount of income on an attached schedule. If the corporation has only one item of other income, describe it in parentheses on line 13.

Deductions

Line 15. Compensation of officers.—Attach a schedule for all officers using the following columns: (1) Name of officer; (2) Social security number; (3) Percentage of time devoted to business; (4) Amount of compensation.

This information must be submitted by each member of an affiliated group included in a consolidated return.

Line 16a. Salaries and wages.—Enter the amount of total salaries and wages paid or incurred for the tax year. Do not include salaries and wages deductible elsewhere on the return, such as elective contributions to a section 401(k) cash or deferred arrangement, or amounts contributed under a salary reduction SEP agreement.

Caution: If the corporation provided taxable fringe benefits to its employees, such as the personal use of a car, do not deduct as wages the amount allocated for depreciation and other expenses that are claimed elsewhere on its return.

Line 16b. Loss jobs credit.—Enter on line 16b the amount of jobs credit from Form 6894, Jobs Credit.

Line 18. Rents.—Enter rent paid or accrued for business property in which the corporation has no equity.

If the corporation rented or leased a vehicle, enter the total annual rent or lease expense paid or incurred during the year. Also complete Part V of Form 4562, Depreciation and Amortization. If the corporation leased a vehicle for a term of 30 days or more, the deduction for the vehicle lease expense may have to be reduced by an amount called the inclusion amount. The corporation may have an inclusion amount if:

The lease term began:	And the vehicle's fair market value on the first day of the lease exceeded:
After 12/31/91	\$14,000
After 12/31/90 but before 1/1/92	\$13,400
After 12/31/88 but before 1/1/91	\$12,800

If the lease term began after June 18, 1984, but before January 1, 1987, see Pub. 917, Business Use of a Car, to find out if the corporation has an inclusion amount. Also see Pub. 917 for instructions on figuring the inclusion amount.

Line 19. Taxes.—Enter taxes paid or accrued during the tax year, but do not include the following:

o Federal income taxes (except the environmental tax under section 59A);

o Foreign or U.S. possession income taxes if a credit is claimed;

o Taxes not imposed on the corporation;

o Taxes, including state or local sales taxes, that are paid or incurred in connection with an acquisition or disposition of property. (These taxes must be treated as a part of the cost of the acquired property or, in the case of a disposition, as a reduction in the amount realized on the disposition.); or

o Taxes assessed against local benefits that increase the value of the property assessed (such as for paving, etc.)

See section 164(d) for the apportionment of taxes on real estate between a seller and a purchaser.

If the corporation is liable for the environmental tax under section 59A, see Form 4626, Alternative Minimum Tax—Corporations, for computation of the environmental tax deduction.

Line 20a. Interest.—Enter all interest paid or accrued during the tax year.

Generally, the interest and carrying charges on straddles cannot be deducted and must be capitalized. See section 263(g).

See section 163(e)(5) for special rules for the disqualification of original issue discount on a high yield discount obligation.

Certain interest paid or accrued by the corporation (directly or indirectly) to a related person may be limited if no tax is imposed on that interest. See section 163(g) for more detailed information.

Do not deduct interest on debt allocable to the production of qualified property. Interest that is allocable to certain property produced by a corporation for its own use or for sale must be capitalized. A corporation must also capitalize any interest on debt allocable to an asset used to produce the above property. See section 263A and Notice 88-99, 1988-2 C.B. 422, for definitions and more information.

See section 7872 for special rules regarding the deductibility of forborne interest on certain below-market rate loans.

Line 20b. Loan tax-exempt interest expense.—Enter interest paid or accrued during the tax year on indebtedness incurred or continued to purchase or carry obligations if the interest is wholly exempt from income tax. For exceptions, see section 265(b).

Line 21. Charitable contributions.—Enter contributions or gifts actually paid in the tax year to or for the use of charitable and governmental organizations described in section 170(c), and any unused contributions carried over from prior years.

The total amount claimed may not be more than 10% of taxable income (line 37, Schedule A) computed without regard to the following:

o Any deduction for contributions,

o The deduction for dividends received,

• The deduction allowed under section 249.

• Any net operating loss (NOL) carryback to the tax year under section 172, and

• Any capital loss carryback to the tax year under section 1212(a)(1).

Charitable contributions over the 10% limitation may not be deducted for the tax year but may be carried over to the next 5 tax years.

Taxable income is modified to determine the NOL used in an intervening year (i.e., a year to which an NOL is carried but not fully absorbed). For this purpose, taxable income is computed by determining the NOL deduction for the year without regard to the NOL for the loss year or any later year. See section 172(b)(2). To the extent charitable contributions are used to reduce taxable income for this purpose and increase an NOL carryover, a contributions carryover is not allowed. See section 170(d)(2)(B).

Corporations on the accrual basis may elect to deduct contributions paid by the 15th day of the 3rd month after the end of the tax year if the contributions are authorized by the board of directors during the tax year. Attach a declaration to the return, signed by an officer, stating that the resolution authorizing the contributions was adopted by the board of directors during the tax year. Also attach a copy of the resolution.

If a corporation (other than a closely held or personal service corporation) contributes property other than cash and the deduction claimed for the property exceeds \$500, the corporation must attach a schedule to the return describing the kind of property contributed and the method used to determine its fair market value.

Closely-held and personal service corporations generally must complete Form 8283, Noncash Charitable Contributions, and attach it to their returns. All other corporations generally must complete and attach Form 8283 to their returns for contributions of property other than money, if the total claimed deduction for all property contributed was more than \$5,000.

A corporation must also keep records, as required by the regulations for section 170, for all of its charitable contributions.

If the corporation made a "qualified conservation contribution" under section 170(h), also include the fair market value of the underlying property before and after the donation, as well as the type of legal interest contributed, and describe the conservation purpose benefited by the donation.

If a contribution carryover is included, show the amount and how it was determined.

Special rule for contributions of certain property.—For a charitable

contribution of property, the corporation must reduce the contribution by the sum of:

• The ordinary income or short-term capital gain that would have resulted if the property had been sold at its fair market value, and

• For certain contributions, all of the long-term capital gain that would have resulted if the property were sold at its fair market value.

The reduction for long-term capital gain applies to:

• Contributions of tangible personal property for use by an exempt organization for a purpose or function unrelated to the basis for its exemption, and

• Contributions of any property (except stock for which market quotations are readily available—see section 170(e)(5)) to or for the use of certain private foundations. See section 170(e) and Regulations section 1.170A-4.

For special rules for contributions of inventory and other property to certain organizations, see section 170(e)(3) and Regulations section 1.170A-4A.

Charitable contributions of scientific property used for research.—A corporation (other than a personal holding company or a personal service organization) can receive a larger deduction for contributing scientific property used for research to an institution of higher education. See section 170(e).

Line 22. Depreciation.—Besides depreciation, include on line 22 the part of the cost (up to \$10,000) that the corporation elected to expense for certain tangible property placed in service during tax year 1992 or carried over from 1991. See Form 4562, Depreciation and Amortization and its instructions.

Line 23. Depletion.—See sections 613 and 613A for percentage depletion rates applicable to natural deposits. Also, see section 291 for the limitation on the depletion deduction for iron ores and coal (including lignite).

Foreign intangible drilling costs and foreign exploration and development costs must either be added to the corporation's basis for cost depletion purposes or be deducted ratably over a 10-year period. See sections 263(f), 616, and 617 for details.

Attach Form T (Timber), Forest Industries Schedules, if a deduction for depletion of timber is taken.

Line 24. Pension, profit-sharing, etc., plans.—Enter the deduction for contributions to pension, profit-sharing, or other funded deferred compensation plans. Employers who maintain such a plan generally must file one of the forms listed below, even if the plan is not a "qualified" plan under the Internal

Revenue Code. The filing requirement applies even if the corporation does not claim a deduction for the current tax year. There are penalties for failure to file these forms on time and for overstating the pension plan deduction. See sections 6652(e) and 6662(f).

Form 5500.—Complete this form for each plan with 100 or more participants.

Form 5500-C/R.—Complete this form for each plan with fewer than 100 participants.

Form 5500-EZ.—Complete this form for a one-participant plan. The term "one-participant plan" also means a plan that covers the owner(s) and his or her spouse, or a plan that covers partners in a business partnership (or the partners and their spouses).

Line 25. Employee benefit programs.—Enter contributions to employee benefit programs not claimed elsewhere on the return (e.g., insurance, health and welfare programs) that are not an incidental part of a pension, profit-sharing, etc., plan included on line 24.

Line 27. Additional deduction.—Any insurance company required to discount unpaid losses under section 846 is allowed an additional deduction not to exceed the excess of:

• The amount of certain undiscounted unpaid losses over

• The amount of the related discounted unpaid losses, to the extent the amount was not deducted in a preceding tax year.

Enter the amount of the additional deduction on this line and attach Form 8816.

Any insurance company taking the additional deduction is required to:

• Make special estimated tax payments equal to the tax benefit from the deduction, and

• Establish and maintain a Special Loss Discount Account. See section 847 and Form 8816 for details.

Line 29. Dividends to policyholders.—Enter the total dividends and similar distributions paid or declared to policyholders in their capacity as such, except in the case of a mutual fire insurance company exclusively issuing perpetual policies. Whether dividends have been paid or declared should be determined according to the method of accounting regularly employed in keeping the books of the insurance company.

"Dividends and similar distributions" include amounts returned or credited to policyholders on cancellation or expiration of policies issued by a mutual fire or flood insurance company (1) where the premium deposits for the policy are the same (regardless of the length of the term for which the policies are written), and (2) under which the

unabsorbed portion of such premium deposits not required for losses, expenses, or establishment of reserves is returned or credited to the policyholder on cancellation or expiration of the policy.

In the case of a qualified group self-insurers fund, the fund's deduction for policyholder dividends is allowed no earlier than the date the state regulatory authority determines the amount of the policyholder dividend that may be paid. See section 6076 of the Technical and Miscellaneous Revenue Act of 1988 ("Act of 1988").

Line 30. Mutual interinsurers or reciprocal underwriters—Increase in subscriber accounts.—A mutual insurance company that is an interinsurer or reciprocal underwriter may deduct the increase in savings credited to subscriber accounts for the tax year.

"Savings credited to subscriber accounts" means the surplus credited to the individual accounts of subscribers before the 16th day of the 3rd month following the close of the tax year. This is true only if the corporation would be required to pay this amount promptly to a subscriber if the subscriber ended the contract when the corporation's tax year ends. The corporation must notify the subscriber as required by Regulations section 1.823-6(c)(2)(v). The subscriber must treat any savings credited to the subscriber's account as a dividend paid or declared.

Line 31. Other deductions.—Attach a separate sheet listing all allowable deductions that are not deductible elsewhere on Form 1120-PC. Enter the total deductions allowable under sections 832(c)(1) and (10) (net of the annual statement change in undiscounted unpaid loss adjustment expenses) that are not deductible on lines 15 through 30.

A corporation may deduct dividends it pays in cash on stock held by an employee stock ownership plan. However, a deduction may only be taken if, according to the plan, the dividends are:

• Paid in cash directly to the plan participants or beneficiaries;

• Paid to the plan which distributes them in cash to the plan participants or their beneficiaries no later than 90 days after the end of the plan year in which the dividends are paid; or

• Used to make payments on a loan described in section 404(a)(9).

See section 404(k) for more details and the limitation on certain dividends.

Generally, the corporation can deduct only 80% of the amount otherwise allowable for meals and entertainment expenses paid or incurred in its trade or business. Also, meals must not be lavish or extravagant; a bona fide business discussion must occur during,

immediately before, or immediately after the meal; and an employee of the corporation must be present at the meal. See section 274(k)(2) for exceptions. If the corporation claims a deduction for unallowable meal expenses, it may have to pay a penalty.

Additional limitations apply to deductions for gifts, skybox rentals, luxury water travel, convention expenses, and entertainment tickets. For details see section 274 and Pub. 463, Travel, Entertainment, and Gift Expenses.

Generally, a corporation can deduct all other ordinary and necessary travel and entertainment expenses paid or incurred in its trade or business. However, it cannot deduct an expense paid or incurred for a facility (such as a yacht or hunting lodge) that is used for an activity that is usually considered entertainment, amusement, or recreation.

Note: The corporation may be able to deduct the expense if the amount is treated as compensation and reported on Form W-2 for an employee or on Form 1099-MISC for an independent contractor.

Note: Do not deduct penalties such as those listed under Interest and Penalties on page 2.

Insurance companies that issue specified insurance contracts (as defined in section 648(e)(1)) are generally required to amortize policy acquisition expenses on a straight-line basis over a period of 120 months beginning with the 1st month in the 2nd half of the tax year (section 848(a)). The amount to be amortized is the portion of the corporation's "general deductions" that does not exceed the sum of the following percentages of net premiums on specified insurance contracts for the tax year: Annuities 1.75%, Group life 2.05%, Other life (including noncancelable or guaranteed renewable accident and health) 7.7%. "General deductions" means the deductions under sections 161 through 196, relating to itemized deductions, and sections 401 through 424 relating to pension, profit sharing, stock bonus plans, etc. Section 848(b) provides for an amortization period of 60 months for the first \$5 million of amortizable policy acquisition expenses for any tax year. See section 848(b)(2) for phase-out rules. The 60-month amortization period does not apply to any policy acquisition expenses for any tax year that are from premiums or other consideration under any reinsurance contract (section 848(b)(4)). See section 848 for special rules, definitions, and exceptions.

Line 34a. Special deduction for section 833 organizations.—The amount claimed cannot exceed taxable income for the tax year (determined without regard to this deduction).

Line 34b. Deduction on account of the special income and deduction accounts.—Enter the total of the amounts required to be added under sections 832(e)(4) and (6). However, no deduction is permitted unless the corporation purchases tax and loss bonds in an amount equal to the tax benefit attributable to the deduction. See section 832(e).

Note: The deduction on account of the special income and deduction accounts is limited to taxable income for the tax year (computed without regard to this deduction or to any carryback of a net operating loss).

Line 36b. Net operating loss deduction.—The net operating loss deduction is the amount of the Net Operating Loss (NOL) carryovers and carrybacks that can be deducted in the tax year. See section 172(a). If this deduction is taken, show its computation on an attached schedule.

Generally, a corporation may carry an NOL back to each of the 3 years preceding the year of the loss and carry it over to each of the 15 years following the year of the loss. Personal service corporations are not permitted to carry back an NOL to or from any tax year to which a section 444 election applies.

A corporation may carry back 10 years the part of the NOL attributable to a product liability loss. See section 172(b)(1)(C). See Regulations section 1.172-13(c) for the required statement that must be attached to Form 1120-PC when claiming the 10-year carryback on product liability losses.

There is also an election to carry an NOL over to each of the 15 years following the year of the loss. To make this election, check the box in Question 13, Schedule I. The return must be timely filed (including extensions). The election is irrevocable. Section 172(b)(1) describes types of losses for which the 15-year carryover period does not apply. Also see section 172(b)(1)(E) for special rules for a corporation with an excess interest loss if the corporation had an equity reduction interest loss for any loss limitation year ending after August 2, 1989.

After applying the NOL to the first tax year to which it may be carried, the portion of the loss the corporation may carry to each of the remaining tax years is the excess, if any, of the loss over the sum of the modified taxable income for each of the prior tax years to which the corporation may carry the loss. See section 172(b).

If there is a carryback of an NOL, net capital loss, or an unused credit, file Form 1139, Corporation Application for Tentative Refund, within 12 months after the close of the tax year for a "quick refund" of taxes. See section 6411.

Caution: Do not attach Form 1139 to the corporation's income tax return. Mail it in a separate envelope and file it with the same service center the corporation files its income tax return.

An NOL cannot be carried to or from any tax year for which the insurance company is not subject to tax under section 831(a), or to any tax year if (between the tax year from which the loss is being carried and such tax year) there is an intervening tax year for which the insurance company was not subject to tax imposed by section 831(a).

See section 172 for special rules, limitations, and definitions pertaining to net operating loss carrybacks and carryovers. Also see Pub. 536, Net Operating Losses.

See section 382 for the limitation on the amount of taxable income of a loss corporation for any tax year ending after a post-1986 ownership change that may be offset by pre-change NOL carryovers. Also see Temporary Regulations section 1.382-27(a)(2)(ii), which requires that a loss corporation file an information statement with its income tax return for each tax year that it is a loss corporation.

See section 384 for the limitation on the use of preacquisition losses of one corporation to offset recognized built-in gains of another corporation.

See section 844 for special loss carryover rules for insurance companies.

Schedule B, Part I—Taxable Investment Income of Electing Small Companies

Note: (1) Once an election, under section 831(b) is made to be taxed only on investment income, it can only be revoked with the consent of the Secretary, and (2) a corporation making this election must include in gross investment income on line 8 any amount subtracted from a protection against loss account.

Income

Line 1a, column (a). Gross interest.—Enter the gross amount of interest income including all tax-exempt interest income.

Line 1b, column (a). Interest exempt under section 103.—Enter the amount of interest on state and local bonds that is exempt from taxation under section 103. See the instructions for Schedule A, line 3b, column (a), for more information.

Lines 1a and 1b, column (b). Amortization of premiums.—Enter on line 1a, column (b), the total amortization of bond premiums, including amortization of premium on tax-exempt bonds. Enter on line 1b, column (b), the

amortization of bond premium on tax-exempt bonds.

Note: Insurance companies electing to amortize discount for tax purposes, should reduce the amortization of premium by any amortization of discount.

Line 1c. Taxable interest.—Subtract line 1b from line 1a in columns (a) and (b); then subtract the result in column (b) from the result in column (a) and enter on line 1c.

Line 3. Gross rents.—Enter the gross rents received or accrued during the tax year. Deduct rental expenses such as repairs, interest, taxes and depreciation on the proper lines in the deductions section.

Line 5. Gross income from a trade or business other than insurance and from Form 4797.—Enter the gross income from a trade or business other than insurance carried on by the insurance company or by a partnership of which the insurance company is a partner. Include section 1245 and section 1250 gains (as modified by section 291), and other gains from Form 4797, Sales of Business Property, on investment assets only.

Line 6. Income from leases described in sections 834(b)(1)(B) and 834(b)(1)(C).—Enter the gross income from entering into (or changing or ending) any lease, mortgage, or other instrument or agreement from which the company earns interest, dividends, rents, or royalties.

Deductions

Note: Also see section 834(d)(1) regarding the limitation of expenses on real estate owned and occupied in part or in whole by a mutual insurance company.

Line 9. Real estate taxes.—Enter taxes paid or accrued on real estate owned by the corporation and deductible under section 164.

Line 10. Other real estate expenses.—Enter all ordinary and necessary real estate expenses, such as fire insurance, heat, light, and labor. Also enter the cost of incidental repairs, such as labor and supplies, that do not add to the property's value nor appreciably prolong its life. Do not include any amount paid for new buildings or for permanent improvements or betterments made to increase the value of any property or any amount spent on foreclosed property before the property is held for rent.

Line 11. Depreciation.—Enter depreciation on assets only to the extent that the basis is used to produce the income reported on line 5 of Schedule B and reported on lines 1 through 7 of Schedule B. For more information, see the instructions for line 22, Schedule A.

Line 12. Depletion.—Enter any allowable depletion on royalty income

reported on line 4, Schedule B. See the instructions for line 23, Schedule A, for more information.

Line 13. Trade or business deductions.—Enter the total deductions for any trade or business income included in gross investment income under section 834(b)(2). Do not include deductions for any insurance business. Do not include losses from sales or exchanges of capital assets or property used in the business, or from the compulsory or involuntary conversion of property used in the trade or business.

Line 14. Interest.—See the instructions for lines 20a and 20b, Schedule A.

Line 17. Investment expenses.—Enter expenses that are properly chargeable as investment expenses. If general expenses are allocated to investment expenses, the total deduction cannot be more than the amount shown on Schedule B, Part II, line 39. Attach a schedule showing the kind and amount of the items and group the minor items into one amount.

See section 267 for the limitation on deductions for unpaid expenses and interest in transactions between related taxpayers.

Schedule B, Part II—Invested Assets Book Values

Schedule B, Part II, is used to compute the limitation on investment expenses required under section 834(c)(2) when any general expenses are in part assigned to or included in the investment expenses deducted on Schedule B, Part I, line 17.

Schedule C—Dividends and Special Deductions

For purposes of the 20% ownership test on lines 1 through 7, the percentage of stock owned by the corporation is based on voting power and value of the stock. Preferred stock described in section 1504(a)(4) is not taken into account. Corporations filing a consolidated return should see Regulations sections 1.1502-14, 1.1502-26, and 1.1502-27 before completing Schedule C.

Lines 1 through 9, column (a).—Enter in column (a) of the appropriate line those dividends that are not subject to the provisions of section 832(b)(5)(B). This will include: (i) all dividends received on stock whose acquisition date is before August 8, 1986; and (ii) 100% dividends (defined below) on stock acquired after August 7, 1986, to the extent that such dividends are not attributable to prorated amounts.

Lines 1 through 9, column (b).—Enter in column (b) of the appropriate line those dividends that are subject to the provisions of section 832(b)(5)(B). This

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will include: (i) all dividends (other than 100% dividends) received on stock acquired after August 7, 1986; and (ii) 100% dividends received on stock acquired after August 7, 1986, to the extent that such dividends are attributable to prorated amounts (see definition on page 12).

In the case of an insurance company that files a consolidated return, the determination with respect to any dividend paid by a member to another member of the affiliated group is made as if no consolidated return was filed. See section 832(g).

Definitions

"Acquisition date" means in the case of investments acquired by direct purchase, the trade date rather than the settlement date. In the case of investments acquired other than by direct purchase (such as those acquired through transfers among affiliates, tax-free reorganizations, or the liquidation of a subsidiary, etc.), the actual acquisition date should be used regardless of the holding period determined under section 1223.

In the case of dividends received from affiliates, a special rule applies in determining the acquisition date. This rule provides that the portion of any 100% dividend which is attributable to prorated amounts shall be treated as received with respect to stock acquired on the later of: (a) the date the payor acquired the stock or obligation to which the prorated amounts are attributable, or (b) the first day on which the payor and payee were members of the same affiliated group as defined in section 243(b)(5). Also, if the taxpayer is a member of an affiliated group filing a consolidated return, its determination of dividends received is made as if the group were not filing a consolidated return.

"Prorated amounts" means tax-exempt interest and dividends with respect to which a deduction is allowable under section 243, 244, or 245 (other than 100% dividends).

"100% dividend" means any dividend if the percentage used for purposes of determining the deduction allowable under section 243, 244, or 245(b) is 100%. A special rule applies to certain dividends received by a foreign corporation.

Line 1.—Enter dividends (except those received on debt-financed stock acquired after July 18, 1984—see section 246A) that are received from less-than-20% owned domestic corporations subject to income tax and that are subject to the 70% deduction under section 243(a)(1). Include on this line taxable distributions from an IC-DISC or former DISC that are designated as eligible for the 70% deduction and certain dividends of

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Federal Home Loan Banks. See section 246(a)(2).

For dividends received from a regulated investment company, see section 854 for the amount subject to the 70% deduction.

Report so-called dividends or earnings received from mutual savings banks, etc., as interest. Do not treat them as dividends.

Line 2.—Enter dividends (except those received on debt-financed stock acquired after July 18, 1984) received from 20%-or-more-owned domestic corporations subject to income tax that are subject to the 80% deduction under section 243(c).

Include on this line taxable distributions from an IC-DISC or former DISC that are considered eligible for the 80% deduction.

Line 3.—Enter dividends on debt-financed stock acquired after July 18, 1984, that are received from domestic and foreign corporations subject to income tax and that would otherwise be subject to the dividends-received deduction under section 243(a)(1), 243(c), or 245(a). Generally, debt-financed stock is stock that the corporation acquired by incurring a debt (e.g., it borrowed money to buy the stock).

Line 4.—Enter dividends received on the preferred stock of a less-than-20%-owned public utility that is subject to income tax and is allowed the deduction provided in section 247 for dividends paid.

Line 5.—Enter dividends received on preferred stock of a 20%-or-more-owned public utility that is subject to income tax and is allowed the deduction provided in section 247 for dividends paid.

Line 6.—Enter the U.S. source portion of dividends received from less-than-20%-owned foreign corporations and that qualify for the 70% deduction under section 245(a). To qualify for the 70% deduction, the corporation must own at least 10% of the foreign corporation by vote and value. Also include dividends received from a less-than-20% foreign sales corporation (FSC) that are attributable to income treated as effectively connected with the conduct of a trade or business within the U.S. (excluding foreign trade income) and that qualify for the 70% deduction provided in section 245(c)(1)(B).

Line 7.—Enter the U.S. source portion of dividends received from 20%-or-more-owned foreign corporations and that qualify for the 80% deduction under section 245(a). Also include dividends received from a 20%-or-more-owned FSC that are attributable to income treated as effectively connected with the conduct

of a trade or business within the U.S. (excluding foreign trade income) and that qualify for the 80% deduction provided in section 245(c)(1)(B).

Line 8.—Enter dividends received from wholly owned foreign subsidiaries that are eligible for the 100% deduction provided in section 245(b) and dividends from a FSC that qualify for the deduction provided in section 245(c)(1)(A). In general, the deduction under section 245(b) applies to dividends paid out of the earnings and profits of a foreign corporation for a tax year during which:

- All of its outstanding stock is owned (directly or indirectly) by the domestic corporation receiving the dividends, and

- All of its gross income from all sources is effectively connected with the conduct of a trade or business within the United States. Also include all dividends received from a FSC that are attributable to export sales income and that qualify for the 100% deduction under section 245(c).

Line 9.—Enter only those dividends that qualify under section 243(b) for the 100% dividends-received deduction described in section 243(a)(3). Corporations taking this deduction are subject to the provisions of section 1561.

Line 10, column (c).—Enter foreign dividends not reportable on lines 6, 7, and 8. Exclude distributions of amounts constructively taxed in the current year or in prior years under Subpart F (sections 951 through 964).

Line 11, column (c).—Include income constructively received from controlled foreign corporations under Subpart F. This amount should equal the total amounts reported on Schedule I of Form 5471.

Line 12, column (c).—Include gross-up for taxes deemed paid under sections 902 and 960.

Line 13, column (c).—Include the following:

1. Dividends (other than capital gain and exempt-interest dividends) that are received from regulated investment companies and are not subject to the 70% deduction.

2. Dividends from tax-exempt organizations.

3. Dividends (other than capital gain dividends) received from a real estate investment trust that, for the tax year of the trust in which the dividends are paid, qualifies under sections 856 through 860.

4. Dividends not eligible for a dividends-received deduction because of the holding period of the stock or an obligation to make corresponding payments with respect to similar stock.

Two situations in which the dividends-received deduction will not be allowed on any share of stock are:

- If the corporation held it 45 days or less (see section 246(c)(1)(A)), or
- To the extent the corporation is under an obligation to make related payments for substantially similar or related property.

5. Any other taxable dividend income not properly reported above, (including distributions under section 936(h)(4)).

Line 17.—Dividends received on debt-financed stock acquired after July 18, 1984, are not entitled to the full 70% or 80% dividends-received deduction. The 70% or 80% deduction is reduced by a percentage that is related to the amount of debt incurred to acquire the stock. See section 246A. Also see section 245(a) before making this computation for an additional limitation which applies to dividends received from foreign corporations.

Attach a schedule showing how the amount on line 17, was figured.

Line 23. Total.

Worksheet for Schedule C, line 23 (Keep for your records)

Generally, line 23, column (c) may not exceed the amount from the worksheet below. However, in a year in which an NOL occurs, this limitation does not apply even if the loss is created by the dividends-received deduction. See sections 172(d) and 246(b).

1. Enter the amount from Schedule A, line 37 or Schedule B, line 21, whichever applies, without the NOL deduction (section 172); dividends-received deduction (sections 243(a)(1), 244(a), 245(a) or (b), and 247); any adjustment under section 1059; and any capital loss carryback to the tax year under section 1212(a)(1)
2. Enter the sum of the amounts from line 22, column (c), (without regard to wholly owned foreign subsidiary dividends) and line 24, column (c)
3. Subtract line 2 from line 1
4. Multiply line 3 by 80%
5. Add lines 18, 19, 21, and 22 (without regard to FSC dividends), column (c) and the portion of the deduction on line 17, column (c) that is attributable to dividends received from 20% or more-owned corporations
6. Enter the smaller of line 4 or line 5, if line 5 is greater than line 4, stop here; enter the amount from line 6 on line 23, column (c) (without regard to FSC dividends). Do not complete the rest of this worksheet
7. Enter the total amount of dividends received from 20% or more-owned corporations that are included on lines 2, 3, 5, 7, and 8 (without regard to FSC dividends), column (a)
8. Subtract line 7 from line 3
9. Multiply line 8 by 70%
10. Subtract line 5 from line 23, column (c) (without regard to FSC dividends)
11. Enter the smaller of line 9 or line 10.

12. Dividends-received deduction after limitation (section 246(b)). Add lines 6 and 11. Enter the result on line 23, column (c) (without regard to FSC dividends)

Schedule E—Premiums Earned—Section 832

Definitions

"Undiscounted unearned premiums" means the unearned premiums shown in the annual statement filed for the year ending with or in the tax year.

"Applicable interest rate" means the annual rate determined under section 846(c)(2) for the calendar year the premiums are received.

"Applicable statutory premium recognition pattern" means the statutory premium recognition pattern in effect for the calendar year the premiums are received, and is based on the statutory premium recognition pattern which applies to premiums received by the corporation in such calendar year. For purposes of the preceding sentence, premiums received during any calendar year will be treated as received in the middle of such year.

Line 1.—Enter gross premiums written on insurance contracts during the tax year, less return premiums and premiums paid for reinsurance.

Lines 2a and 4a.—Include on lines 2a and 4a:

1. All life insurance reserves, as defined in section 816(b) (but determined under section 807); and
2. All unearned premiums of a Blue Cross or Blue Shield organization to which section 833 applies.

Note: If due to the amendments made to section 832(b)(4) applicable to tax years beginning on or after September 30, 1990, a corporation is required to change its method of computing reserves, this change is treated as a change in method of accounting, initiated by the corporation, and made with the consent of the Secretary. The corporation must take into account the net adjustments required by section 481 over a period not to exceed 4 tax years beginning with the 1st tax year beginning on or after September 30, 1990.

Lines 2b and 4b.—Include on lines 2b and 4b, 90% of unearned premiums for insurance against default in the payment of principal or interest on securities described in section 165(g)(2)(C) (relating to worthless securities) with maturities of more than 5 years.

Lines 2c and 4c.—The amount of the discounted unearned premiums as of the end of any tax year must be the present value of such premiums (as of such time and separately with respect to premiums received in each calendar year) determined by using: (1) the

amount of the undiscounted unearned premiums at such time; (2) the applicable interest rate; and (3) the applicable statutory premium recognition pattern.

Lines 2d and 4d.—Include on lines 2d and 4d, 80% of the total of all unearned premiums not reported on lines 2a through 2c, or 4a through 4c, respectively.

A reciprocal or interinsurer required under state law to reflect unearned premiums on its annual statement net of premium acquisition expenses, should increase its unearned premiums by the amount of such acquisition expenses prior to making the computation on lines 2d and 4d. See section 832(b)(7)(E).

Line 6a.—Enter all unearned premiums other than those for: (1) title insurance; (2) life insurance; (3) insurance against default in the payment of principal or interest on securities described in section 165(g)(2)(C) (relating to worthless securities) with maturities of more than 5 years; and (4) organizations described in section 833.

A reciprocal or interinsurer required under state law to report unearned premiums on its annual statement, net of premium adjustment expenses, must make appropriate adjustments to reflect the amount by which unearned premium reserves at the close of the tax year beginning before January 1, 1987, are greater or less than 80% of the sum of such unearned premium reserves plus premium acquisition expenses. See section 832(b)(7)(E).

Line 6c.—Enter unearned premiums for insurance against default in the payment of principal or interest on securities described in section 165(g)(2)(C) (relating to worthless securities) with maturities of more than 5 years.

Note: Fiscal year filers completing lines 6a and 6c should enter unearned premiums on outstanding business as of the end of the most recent tax year beginning before January 1, 1987.

Line 6e.—Except as provided in section 381(c)(22) (relating to carryovers in certain corporate readjustments), if, for any tax year beginning before January 1, 1993, the corporation ceases to be taxable under section 831(a), the total adjustments which would be made under section 832(b)(4)(C) in that and subsequent tax years, but for such cessation, must be made in the tax year preceding the cessation year. See section 832(b)(7)(C).

Schedule F—Losses Incurred

Line 1. Losses paid.—Enter the total losses paid on insurance contracts during the tax year less salvage and reinsurance recovered during the tax year.

Note: An insurance company's treatment of salvage in determining its paid and unpaid losses is a method of accounting for Federal income tax purposes.

Generally, insurance companies that did not previously treat salvage in accordance with section 832(b)(5)(A) are required to change their method of accounting for the first tax year beginning after December 31, 1989. A change in the method of computing losses incurred, is treated as a change in a method of accounting, initiated by the insurance company, and made with the consent of the Secretary. In applying section 481 due to a change required by section 832(b)(5)(A), only 13% of the net amount of adjustments (otherwise required by section 481 to be taken into account) will be taken into account. In addition, the portion of net adjustments required to be taken into account, must be taken into account over a period not to exceed 4 tax years beginning with the insurance company's first tax year beginning after December 31, 1989. If an insurance company, subject to tax under section 831, took salvage recoverable into account in determining losses incurred for its last tax year beginning before January 1, 1990, (and reflected such treatment in its annual statement) 87% of the discounted amount of estimated salvage recoverable as of the close of such last tax year will be allowed as a deduction ratably over its first 4 tax years beginning after December 31, 1989. Also see Rev. Proc. 91-48, 1991-2 C.B. 760.

See section 11305(c)(4) of the "Revenue Reconciliation Act of 1990" ("Act of 1990") for the special rule for overestimates and section 11305(c)(5) of the "Act of 1990" for the effect on earnings and profits. See Regulations section 1.832-4.

Salvage, in the course of liquidation, includes:

1. All property (other than cash), real or personal, tangible or intangible, regardless of how the salvage recoverable is reported for annual statement purposes; and

2. The estimated value of unaccrued subrogation claims contested by third parties. Attach a schedule showing the computation of losses incurred during the tax year.

Lines 2a and 4a. Unpaid losses on life insurance contracts.—Unpaid losses must be adjusted for recoveries of reinsurance. The amounts of expected recoveries should be estimated based on the facts in each case and the corporation's experience with similar cases.

Lines 2b and 4b. Discounted unpaid losses outstanding.—Enter all discounted unpaid losses as defined in section 846.

Section 846 provides that the amount of discounted unpaid losses must be computed separately by line of business (multiple peril lines must be treated as a single line of business) and by accident year and must be equal to the present value of such losses determined by using:

1. The amount of the undiscounted unpaid losses,
2. The applicable interest rate, and
3. The applicable loss payment pattern.

Special rules apply with respect to unpaid losses related to disability insurance (other than credit disability insurance), noncancelable accident and health insurance, cancelable accident and health insurance, and to the international and reinsurance lines of business. With regard to the special rules for discounting unpaid losses on accident and health insurance (other than disability income insurance), unpaid losses are assumed to be paid in the middle of the year following the accident year.

As a rule, the amount of undiscounted unpaid losses means the unpaid losses and unpaid loss adjustment expenses shown in the annual statement. Under section 832(b)(5)(A), however, unpaid losses must be adjusted to take into account estimated recoveries due to salvage and reinsurance for those losses. If the amounts shown in the annual statement were determined on a discounted basis and if the extent to which these losses were discounted can be determined on the basis of information disclosed on or with the annual statement, the amount of the undiscounted unpaid losses must be recomputed to eliminate any reduction caused by such discounting. In no event can the amount of discounted unpaid losses determined under section 846 with respect to any line of business for an accident year exceed the total amount of unpaid losses with respect to any line of business for an accident year as reported on the annual statement. Also see Regulations section 1.832-4(d) regarding increasing unpaid losses shown on the annual statement by salvage recoverable. Also see Rev. Proc. 92-47, 1992-38 I.R.B. 29.

The applicable interest rate for each calendar year and the applicable loss payment pattern for each accident year for each line of business are determined by the Secretary. The applicable interest rate for 1992 is 8.40%. Rev. Rul. 91-62, 1991-2, C.B. 357. The applicable loss payment patterns are published in Rev. Proc. 92-47, 1992-26 I.R.B. 11.

Applicable interest rates and payment patterns for prior years are published in Rev. Rul. 91-42, 1991-2 C.B. 332; Rev. Rul. 90-26, 1990-1 C.B. 124; Rev. Rul. 89-66A, 1989-1 C.B. 220; Rev. Rul. 88-63, 1988-2 C.B. 130; and Rev. Rul.

87-34, 1987-1 C.B. 168. However, under section 846(e), corporations having sufficient historical experience to determine a loss payment pattern may, under certain circumstances, elect to use their own historical experience. If an election is made, the loss payment patterns will be based on the most recent calendar year for which an annual statement was filed before the beginning of the accident year. No election under section 846(e) will apply to any international or reinsurance line of business. If the corporation elects to use its own loss payment patterns, be sure to check the "Yes" column for question 9 in Schedule I, Other Information. For more information regarding this election, see section 846(e), Notice 88-100, 1988-2 C.B. 439 and Rev. Proc. 92-76, 1992-38 I.R.B. 28.

Note: There is a special application of the "Fresh Start" provision in the case of an insurance company that:

- (1) is exempt from tax for its first tax year beginning after 1986 under section 501(a) that is described in any paragraph of section 501(c) or, under section 831(b), is taxed only on investment income, and

- (2) if the insurance company later becomes subject to tax under section 831(a), the rules relating to the Fresh Start under the discounting provisions are to be applied by treating the last tax year before the year in which the insurance company becomes subject to tax under section 831(a) as the insurance company's last tax year beginning before 1987. See section 101(d) of the Act of 1989 and Notice 88-100.

Line 9. Tax-exempt interest subject to section 832(b)(5)(B).—Enter the amount of tax-exempt interest received or accrued during the tax year on investments made after August 7, 1986. For additional information regarding the determination of the acquisition date of an investment, see the instructions for Schedule C, lines 1 through 9, column (b).

Schedule G—Other Capital Losses

Capital assets are considered sold or exchanged to provide funds to meet abnormal insurance losses and to pay dividends and make similar distributions to policyholders to the extent that the gross receipts from their sale or exchange are not more than the amount by which the sum of dividends and similar distributions paid to policyholders, losses paid, and expenses paid for the tax year is more than the total on line 9, Schedule G.

Total gross receipts from sales of capital assets (line 12, column (c)) must not be more than line 10. If necessary, the corporation may report part of the

gross receipts from a particular sale of a capital asset on this schedule and the rest on Schedule D (Form 1120). Otherwise, do not include on Schedule D (Form 1120) any sales reported on this schedule.

Schedule H—Special Deduction for Section 833 Organizations and Ending Adjusted Surplus

Line 5. Beginning adjusted surplus.—Enter the amount from Schedule H, Part II, line 12 of the 1991 Form 1120-PC.

The adjusted surplus as of the beginning of any tax year is an amount equal to the adjusted surplus as of the beginning of the preceding tax year: (1) increased by the amount of any adjusted taxable income for the preceding tax year, or (2) decreased by the amount of any adjusted net operating loss for the preceding tax year.

For purposes of the computation of the adjusted surplus, the terms "adjusted taxable income" and "adjusted net operating loss" mean the taxable income or the net operating loss, respectively, determined with the following modifications: (1) without regard to the deduction determined under section 833(b)(1); (2) without regard to any carryover or carryback to that tax year; and (3) by increasing gross income by an amount equal to the net exempt income for the tax year.

Line 6. Special deduction.—The deduction for any tax year is limited to taxable income for such tax year determined without regard to such deduction.

Note: Under section 833(b)(4), any determination under section 833(b) must be made by only taking into account items from the health-related business of the corporation.

Line 8a. Adjusted tax-exempt income.—Reduce the total tax-exempt interest received or accrued during the tax year by any amount (not otherwise deductible) which would have been allowable as a deduction for the tax year if such interest were not tax-exempt. Enter the result on line 8a.

Line 8b. Adjusted dividends-received deduction.—Reduce the total amount allowed as a deduction under sections 243, 244, and 245 by the amount of any decrease in deductions allowable for the tax year because of section 832(b)(5)(B) when the decrease is caused by the deductions under sections 243, 244, and 245. Enter the result on line 8b.

Schedule I—Other Information

Be sure to answer all of the questions that apply to the corporation.

Question 4a

Check the "Yes" box for question 4a if either 1 or 2 below applies to the corporation:

1. The corporation is a subsidiary in an affiliated group (defined below), but is not filing a consolidated return for the tax year with that group.
2. The corporation is a subsidiary in a parent-subsidiary controlled group (defined below).

Any corporation that meets either of the requirements above should check the "Yes" box. This applies even if the corporation is a subsidiary member of one group and the parent corporation of another.

Note: If the corporation is an "excluded member" of a controlled group (see section 1563(b)(2)), it is still considered a member of a controlled group for this purpose.

Affiliated group.—The term "affiliated group" means one or more chains of includible corporations (section 1504(a)) connected through stock ownership with a common parent corporation. The common parent must be an includible corporation and the following requirements must be met:

1. The common parent must own directly stock that represents at least 80% of the total voting power and at least 80% of the total value of the stock of at least one of the other includible corporations.

2. Stock that represents at least 80% of the total voting power and at least 80% of the total value of the stock of each of the other corporations (except for the common parent) must be owned directly by at least one of the other includible corporations.

For this purpose, the term "stock" generally does not include any stock that (a) is nonvoting, (b) is nonconvertible, (c) is limited and preferred as to dividends and does not participate significantly in corporate growth, and (d) has redemption and liquidation rights that do not exceed the issue price of the stock (except for a reasonable redemption or liquidation premium).

Parent-subsidiary controlled group.—The term "parent-subsidiary controlled group" means one or more chains of corporations connected through stock ownership (section 1563(a)(1)). Both of the following requirements must be met:

1. 80% of the total combined voting power of all classes of stock entitled to vote or at least 80% of the total value of

all classes of stock of each corporation in the group (except the parent) must be owned by one or more of the other corporations in the group.

2. The common parent must own at least 80% of the total combined voting power of all classes of stock entitled to vote or at least 80% of the total value of all classes of stock of at least one of the other corporations in the group. Stock owned directly by other members of the group is not counted when computing the voting power or value.

See section 1563(d)(1) for the definition of "stock" for purposes of determining stock ownership above.

Question 5

Check the "Yes" box if one foreign person owned at least 25% of (a) the total voting power of all classes of stock of the corporation entitled to vote, or (b) the total value of all classes of stock of the corporation.

Enter on line 5(a) the percentage owned by the foreign person specified in question 5. On line 5(b), write the name of the owner's country.

Note: If there is more than one 25%-or-more foreign owner, complete lines 5(a) and 5(b) for the foreign person with the highest percentage of ownership.

Foreign person.—The term "Foreign person" means a foreign:

- o Citizen or nonresident alien,
- o Partnership,
- o Corporation, or
- o Any estate or trust within the meaning of section 7701(a)(31).

Owner's country.—For individuals, the term "owners country" means the country of residence. For all others, it is the country where incorporated, organized, created, or administered.

Requirement to file Form 5472.—If the corporation checked "Yes" to Question 5, it may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Generally, a 25% foreign-owned corporation that had a reportable transaction with a foreign or domestic related party during the tax year must file Form 5472. Form 5472 must be filed by the due date of the corporation's income tax return (including extensions). Attach Form 5472 to the tax return and file a copy of Form 5472 with the Internal Revenue Service Center, Philadelphia, PA 19255.

If the corporation's tax return is not filed when due, Form 5472 must nevertheless be timely filed at the service center where the tax return is due (with a copy to Philadelphia). When the tax return is filed, attach a copy of the previously filed Form 5472.

Penalty for failure to file Form 5472. If a corporation does not file Form 5472 as described above, a \$10,000 penalty applies. The penalty also applies for failure to maintain records as required by Regulations section 1.6038A-3.

Question 7

Foreign financial accounts.—Check the "Yes" box if either 1 or 2 below, applies to the corporation. Otherwise, check the "No" box:

1. At any time during the 1992 calendar year the corporation had an interest in or signature or other authority over a bank, securities, or other financial account in a foreign country; and
 - o The combined value of the account(s) was more than \$10,000 at any time during the calendar year; AND
 - o The account was NOT with a U.S. military banking facility operated by a U.S. financial institution.

2. The corporation owns more than 50% of the stock in any corporation that would answer "Yes" to item 1 above.

Get Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts, to see if the corporation is considered to have an interest in or signature or other authority over a financial account in a foreign country.

If "Yes" is checked for this question, file Form TD F 90-22.1 by June 30, 1993, with the Department of the Treasury at the address shown on the form. Form TD F 90-22.1 is not a tax return, so do not file it with Form 1120-PC. You can get Form TD F 90-22.1 from an IRS Distribution Center or by calling our toll free number 1-800-TAX-FORM (1-800-829-3676).

Also, if "Yes" is checked for this question, write the name of the foreign country or countries. Attach a separate sheet if more space is needed.

Question 12

In the space provided, show any tax-exempt interest received or accrued. Include any exempt-interest dividends received as a shareholder in a mutual fund or other regulated investment company.

Question 13

Check the box on line 13 if the corporation elects under section 172(b)(3) to forgo the carryback period for an NOL. If you check this box, do not attach the statement described in Temporary Regulations section 7.0(d).

Schedule J—Subtractions From Protection Against Loss Account

Section 1024 of P.L. 99-514 repealed section 824 relating to the protection against loss account (PAL account). However, for tax years beginning after December 31, 1986, PAL account balances are includible in income as though section 824 were still in effect.

Line 2a. Section 824(d)(1)(B).—Enter the amount, if any, by which the sum of the investment loss and the statutory underwriting loss for the tax year exceeds the sum of the statutory underwriting income and the taxable investment income for the tax year.

Line 2b. Section 824(d)(1)(C).—Enter (in the order the losses occurred) amounts equal to the unused loss carryovers to the tax year.

Line 2c. Section 824(d)(1)(D).—Enter any amount remaining in the account which was added to the account for the fifth preceding tax year minus one-half of the amount remaining in the account for such tax year which was added by section 824(a)(1)(E).

Line 2d. Section 824(d)(1)(E).—Enter the amount by which the total amount in the account exceeds the greater of:

- (i) 10% of premiums earned on insurance contracts during the tax year (as defined in section 832(b)(4)) minus dividends to policyholders (as defined in section 832(c)(11)), or

- (ii) the total amount in the account at the close of the preceding tax year.

Schedule L—Balance Sheets

Note: All insurance companies required to file Form 1120-PC must complete Schedule L.

Line 5. Tax-exempt securities.—Include on this line:

1. State and local government obligations, the interest on which is excludable from gross income under section 103(a), and

2. Stock in a mutual fund or other regulated investment company that distributed exempt-interest dividends during the tax year of the corporation.

Line 18. Insurance liabilities.—Include on this line:

- o Undiscounted unpaid losses.
 - o Loss adjustment expenses, and
 - o Unearned premiums.
- See section 846 for more information.

Schedule M-1—Reconciliation of Income per Books With Income per Return

Line 6c. Travel and entertainment.—Include on line 5c any of the following:

- o 20% of meals and entertainment not allowed under section 274(n).
- o Expenses for the use of an entertainment facility.

- o The part of business gifts over \$25.
- o Expenses over \$2,000 of an individual allocable to conventions on cruise ships.
- o Employee achievement awards over \$400.

- o The cost of entertainment tickets over face value (also subject to 20% disallowance) under section 274(n).

- o The cost of skyboxes over the face value of non-luxury box seat tickets.

- o The part of the cost of luxury water travel not allowed under section 274(m).
- o Expenses for travel as a form of education.

- o Other travel and entertainment expenses not allowed as a deduction.

Line 7a. Tax-exempt interest.—Include as interest on line 7a any exempt-interest dividends received as a shareholder in a mutual fund or other regulated investment company.

Schedule J Tax Computation (See instructions.)

1 Check if the REIT is a member of a controlled group (see sections 1561 and 1563)

2 If the box on line 1 is checked:
 a Enter the REIT's share of the \$50,000 and \$25,000 taxable income bracket amounts (in that order):
 (i) \$ _____ (ii) \$ _____
 b Enter the REIT's share of the additional 5% tax (not to exceed \$11,750) \$ _____

3e Tax on REIT taxable income _____
 b Tax from Part II, line 6, page 2 _____
 c Tax from Part III, line 16, page 2 _____
 d Tax from Part IV, line 4, page 2 _____
 e Total. Add lines 3a through 3d. _____

4a Foreign tax credit (attach Form 1118) _____
 b General business credit. Enter here and check which forms are attached:
 Form 3800 Form 3468 Form 5884 Form 6478
 Form 6765 Form 8586 Form 8830 Form 8826
 c Credit for prior year minimum tax (attach Form 8827) _____
 d Total. Add lines 4a through 4c. _____
 e Subtract line 4d from line 3e _____

5 Personal holding company tax (attach Schedule PH (Form 1120)) _____
 7 Recapture taxes. Check if from: Form 4255 Form 8611 _____
 8 Alternative minimum tax (attach Form 4626) _____
 9 Total tax. Add lines 5 through 8. Enter here and on line 23, page 1 _____

Schedule K Other Information (See instructions.)

1 Check method of accounting:
 a Cash
 b Accrual
 c Other (specify) ▶ _____

2 Did the REIT at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).)
 If "Yes," attach a schedule showing (a) name and identifying number; (b) percentage owned; and (c) taxable income or (loss) before NOL and special deductions of the corporation for the tax year ending with or within the REIT's tax year.

3 Did any individual, partnership, corporation, estate, or trust at the end of the tax year own, directly or indirectly, 50% or more of the REIT's voting stock? (For rules of attribution, see section 267(c).) If "Yes," complete a, b, and c below.
 a Is the REIT a subsidiary in a parent-subsidiary controlled group?
 b Enter the name and identifying number of the parent corporation or other entity with 50% or more ownership ▶ _____
 c Enter percentage owned ▶ _____

4 Did one foreign person at any time during the tax year own, directly or indirectly, at least 25% of: (a) the total voting power of all classes of stock of the REIT entitled to vote, or (b) the total value of all classes of stock of the REIT?
 If "Yes," see page 9 of the instructions and:
 a Enter percentage owned ▶ _____
 b Enter owner's country ▶ _____
 c The REIT may have to file Form 5472. (See page 9 for penalties that may apply.) Enter number of Forms 5472 attached ▶ _____

5 Was the REIT a U.S. shareholder of any controlled foreign corporation? (See sections 951 and 957). If "Yes," attach Form 5471 for each corporation. Enter number of Forms 5471 attached ▶ _____

6 At any time during the 1992 calendar year, did the REIT have an interest in or a signature or other authority over a financial account in a foreign country (such as bank account, securities account, or other financial account)?
 If "Yes," the REIT may have to file Form TD F 90-22.1.
 If "Yes," enter name of the foreign country ▶ _____

7 Was the REIT the grantor of, or transferor to, a foreign trust that existed during the current tax year, whether or not the REIT has any beneficial interest in it?
 If "Yes," the REIT may have to file Forms 926, 3520, or 3520-A.

8 During this tax year, did the REIT pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the REIT's current and accumulated earnings and profits? (See sections 301 and 316.)
 If "Yes," file Form 5452.

9 Check this box if the REIT issued publicly offered debt instruments with original issue discount
 If so, the REIT may have to file Form 8281.

10 Enter the amount of tax-exempt interest received or accrued during the tax year ▶ \$ _____

Schedule L Balance Sheets

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 U.S. government obligations				
4 Tax-exempt securities (see instructions)				
5 Other current assets (attach schedule)				
6 Loans to stockholders				
7 Mortgage and real estate loans				
8 Other investments (attach schedule)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10 Land (net of any amortization)				
11a Intangible assets (amortizable only)				
b Less accumulated amortization				
12 Other assets (attach schedule)				
13 Total assets				
Liabilities and Stockholders' Equity				
14 Accounts payable				
15 Mortgages, notes, bonds payable in less than 1 year				
16 Other current liabilities (attach schedule)				
17 Loans from stockholders				
18 Mortgages, notes, bonds payable in 1 year or more				
19 Other liabilities (attach schedule)				
20 Capital stock: a Preferred stock				
b Common stock				
21 Paid-in or capital surplus				
22 Retained earnings—Appropriated (attach schedule)				
23 Retained earnings—Unappropriated				
24 Less cost of treasury stock				
25 Total liabilities and stockholders' equity				

Note: Schedules M-1 and M-2 do not have to be completed if total assets on Schedule L, line 13, column (d) are less than \$25,000.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return

1 Net income (loss) per books		7 Income recorded on books this year not included on this return (itemize): Tax-exempt interest \$ _____
2a Federal income tax (Schedule J, line 9) \$ _____		
b Less: Section 657(b)(5) tax \$ _____		
c Balance		8 Deductions on this return not charged against book income this year (itemize): a Depreciation \$ _____ b Net operating loss deduction (page 1, line 21a) \$ _____ c Deduction for dividends paid (page 1, line 21b) \$ _____
3 Excess of capital losses over capital gains		
4 Income subject to tax not recorded on books this year (itemize):		9 Net income from foreclosure property
5 Expenses recorded on books this year not deducted on this return (itemize): a Depreciation \$ _____ b Section 4981 tax \$ _____ c Travel and entertainment \$ _____		10 Net income from prohibited transactions
6 Add lines 1 through 5		11 Add lines 7 through 10
		12 REIT taxable income (line 22, page 1)—line 6 less line 11

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (line 23, Schedule L)

1 Balance at beginning of year		5 Distributions: a Cash
2 Net income (loss) per books		b Stock
3 Other increases (itemize):		c Property
		6 Other decreases (itemize):
4 Add lines 1, 2, and 3		7 Add lines 5 and 6
		8 Balance at end of year (line 4 less line 7)

1992


 Department of the Treasury
 Internal Revenue Service

Instructions for Form 1120-REIT

U.S. Income Tax Return for Real Estate Investment Trusts

(Section references are to the Internal Revenue Code unless otherwise noted.)

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping	55 hr., 58 min.
Learning about the law or the form	17 hr., 53 min.
Preparing the form	35 hr., 24 min.
Copying, assembling, and sending the form to the IRS	4 hr., 33 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. You can write to both the Internal Revenue Service, Washington, DC 20224, Attention: IRS Reports Clearance Officer, T:FP; and the Office of Management and Budget, Paperwork Reduction Project (1545-1004), Washington, DC 20503. **DO NOT** send the tax form to either of these offices. Instead, see the instructions for **Where To File** on page 2.

General Instructions

Note: In addition to the publications listed throughout these instructions, real estate investment trusts may find it helpful to get **Pub. 534, Depreciation**; **Pub. 535, Business Expenses**; **Pub. 542, Tax Information on Corporations**; and **Pub. 946, How To Begin Depreciating Your Property**.

Purpose of Form

Form 1120-REIT, U.S. Income Tax Return for Real Estate Investment Trusts, is used to report the income, gains, losses, deductions, credits, and to figure the income tax liability of a real estate investment trust (REIT), defined in section 856.

Who Must File

A corporation, trust, or association that elects to be treated as a REIT for the tax year (or has made that election for a prior

tax year and the election has not been terminated or revoked) and that meets the requirements listed below must file Form 1120-REIT. The election is made by computing taxable income as a REIT on Form 1120-REIT.

An organization must meet the following requirements to qualify as a REIT:

1. It must be a corporation, trust, or association.
2. It must be managed by one or more trustees or directors.
3. The beneficial ownership must be evidenced by transferable shares, or by transferable certificates of beneficial interest.

4. The organization would otherwise be taxed as a domestic corporation.

5. It is neither a financial institution referred to in section 582(c)(2), or a subchapter L insurance company.

6. The beneficial ownership must be held by 100 or more persons. (However, the REIT does not have to meet this requirement until its second tax year.)

7. The organization cannot be closely-held, as defined in section 856(h). (However, the REIT does not have to meet this requirement until its second tax year.)

8. It must meet the gross income and diversification of investment requirements of section 856(c).

9. The organization must have been: (a) treated as a REIT for all tax years beginning after February 28, 1986; or (b) had, at the end of the tax year, no accumulated earnings and profits from any tax year that the organization was not a REIT.

10. It must maintain the actual ownership records as required by Regulations section 1.857-8.

11. It must adopt a calendar tax year unless the organization first qualified for REIT status before October 5, 1976.

12. The dividends paid deduction (excluding net capital gain dividends, if any) must equal or exceed:

- 95% of the REIT's taxable income (excluding the dividends paid deduction and any net capital gain); plus
- 95% of the excess of the REIT's net income from foreclosure property over the tax imposed on that income by section 857(d)(4)(A); less
- Any excess noncash income as determined under section 857(e).

See sections 856, 857, and the related regulations for details and exceptions.

Note: For income tax purposes, a corporation that is a qualified REIT subsidiary is not treated as a separate corporation. See section 856(i) for details.

Termination of Election

Once the election to be treated as a REIT is made, it remains in effect until terminated or revoked. It terminates automatically for any tax year in which the corporation, trust, or association is not a qualified REIT as defined in section 856.

The election may also be revoked by the taxpayer for any tax year after the first tax year the election is effective by filing a statement with the service center where the corporation, trust, or association files its income tax return. The statement must be filed on or before the 90th day after the first day of the tax year for which the revocation is to be effective. The statement must be signed by an official authorized to sign the income tax return of the taxpayer and must contain the name, address, and employer identification number of the taxpayer, specify the tax year for which the election was made, and state that the taxpayer, pursuant to section 856(g)(2), revokes its election under section 856(c)(1) to be a REIT.

During the 4 years after the first year for which the termination or revocation is effective, the corporation, trust, or association may not make a new election to be taxed as a REIT, except as provided in section 856(g)(4).

When To File

Generally, a REIT must file its income tax return by the 15th day of the 3rd month after the end of the tax year. A new REIT filing a short period return must generally file by the 15th day of the 3rd month after the short period ends. A REIT that has dissolved must generally file by the 15th day of the 3rd month after the date of dissolution.

Extension.—File Form 7004, Application for Automatic Extension of Time To File Corporation Income Tax Return, to request a 6-month extension of time to file.

Where To File

File the tax return at the applicable addresses listed below.

If the REIT's principal business, office, or agency is located in Use the following Internal Revenue Service Center address

New Jersey, New York (New York City and counties of Nassau, Rockland, Suffolk, and Westchester) Hottsville, NY 00501

New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont Andover, MA 05501

Florida, Georgia, South Carolina Atlanta, GA 39601

Indiana, Kentucky, Michigan, Ohio, West Virginia Cincinnati, OH 45999

Kansas, New Mexico, Oklahoma, Texas Austin, TX 73301

Alaska, Arizona, California (counties of Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba), Colorado, Idaho, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming Ogden, UT 84201

California (all other counties), Hawaii Fresno, CA 93888

Illinois, Iowa, Minnesota, Missouri, Wisconsin Kansas City, MO 64999

Alabama, Arkansas, Louisiana, Mississippi, North Carolina, Tennessee Memphis, TN 37501

Delaware, District of Columbia, Maryland, Pennsylvania, Virginia Philadelphia, PA 19255

Illinois, Iowa, Minnesota, Missouri, Wisconsin Kansas City, MO 64999

Alabama, Arkansas, Louisiana, Mississippi, North Carolina, Tennessee Memphis, TN 37501

Delaware, District of Columbia, Maryland, Pennsylvania, Virginia Philadelphia, PA 19255

Illinois, Iowa, Minnesota, Missouri, Wisconsin Kansas City, MO 64999

Alabama, Arkansas, Louisiana, Mississippi, North Carolina, Tennessee Memphis, TN 37501

Delaware, District of Columbia, Maryland, Pennsylvania, Virginia Philadelphia, PA 19255

Illinois, Iowa, Minnesota, Missouri, Wisconsin Kansas City, MO 64999

Alabama, Arkansas, Louisiana, Mississippi, North Carolina, Tennessee Memphis, TN 37501

Delaware, District of Columbia, Maryland, Pennsylvania, Virginia Philadelphia, PA 19255

Illinois, Iowa, Minnesota, Missouri, Wisconsin Kansas City, MO 64999

Alabama, Arkansas, Louisiana, Mississippi, North Carolina, Tennessee Memphis, TN 37501

Delaware, District of Columbia, Maryland, Pennsylvania, Virginia Philadelphia, PA 19255

Illinois, Iowa, Minnesota, Missouri, Wisconsin Kansas City, MO 64999

Alabama, Arkansas, Louisiana, Mississippi, North Carolina, Tennessee Memphis, TN 37501

Delaware, District of Columbia, Maryland, Pennsylvania, Virginia Philadelphia, PA 19255

Illinois, Iowa, Minnesota, Missouri, Wisconsin Kansas City, MO 64999

Alabama, Arkansas, Louisiana, Mississippi, North Carolina, Tennessee Memphis, TN 37501

Delaware, District of Columbia, Maryland, Pennsylvania, Virginia Philadelphia, PA 19255

If a corporate officer completes Form 1120-REIT, the Paid Preparer's space should remain blank. Anyone who prepares Form 1120-REIT but does not charge the REIT should not sign the return. Generally, anyone who is paid to prepare the return must sign it and fill in the Paid Preparer's Use Only area.

The paid preparer must complete the required preparer information and:

- Sign the return, by hand, in the space provided for the preparer's signature (signature stamps and labels are not acceptable).
- Give a copy of the return to the taxpayer.

Accounting Methods

Taxable income must be computed using the method of accounting regularly used in keeping the REIT's books and records. Generally, permissible methods include the cash, accrual, or any other method authorized by the Internal Revenue Code. In all cases, the method used must clearly show taxable income.

Generally, a REIT must use the accrual method of accounting if its average annual gross receipts are more than \$5 million. See section 448(c).

Generally, an accrual basis taxpayer can deduct accrued expenses in the tax year in which all events that determine the liability have occurred, the amount of the liability can be figured with reasonable accuracy, and economic performance takes place with respect to the expense. There are exceptions for recurring items. See section 461(f) and the related regulations for more information.

Generally, the REIT may change the method of accounting used to report taxable income (for income as a whole or for any material item) only by getting consent on Form 3115, Application for Change in Accounting Method. For more information, get Pub. 538, Accounting Periods and Methods.

Change in Accounting Period

A REIT may not change its accounting period to any accounting period other than the calendar year. Generally, before changing an accounting period, the Commissioner's approval must be obtained (Regulations section 1.442-1) by filing Form 1128, Application To Adopt, Change, or Retain a Tax Year. Also see Pub. 538. However, upon electing to be taxed as a REIT, an entity that has not engaged in any active trade or business may change its accounting period to a calendar year without the approval of the Commissioner.

Rounding Off to Whole Dollars

The REIT may show amounts on the return and accompanying schedules as whole dollars. To do so, drop any amount less than 50 cents and increase any amount from 50 cents through 99 cents to the next higher dollar.

Recordkeeping

The REIT's records should be kept for as long as they may be needed for the

administration of any provision of the Internal Revenue Code. Usually, records that support an item of income, deduction, or credit on the return must be kept for 3 years from the date the return is due or filed, whichever is later. Keep records that verify the REIT's basis in property for as long as they are needed to figure the basis of the original or replacement property.

The REIT should also keep copies of any returns it has filed. They help in preparing future returns and in making computations when filing an amended return.

Depository Method of Tax Payment

A REIT must pay the tax due in full no later than the 15th day of the 3rd month after the end of the tax year. Deposit REIT income tax payments (and estimated tax payments) with Form 8109, Federal Tax Deposit Coupon. Do not send deposits directly to an IRS office. Mail or deliver the completed Form 8109 with the payment to a qualified depository for Federal taxes or to the Federal Reserve bank (FRB) servicing the REIT's geographic area. Make checks or money orders payable to that depository or FRB.

To help ensure proper crediting, write the REIT's employer identification number, the tax period to which the deposit applies, and "Form 1120-REIT" on the check or money order. Be sure to darken the "1120" box on the coupon. These records of deposits will be sent to the IRS.

A penalty may be imposed if the deposits are mailed or delivered to an IRS office rather than to an authorized depository or FRB.

For more information on deposits, see the instructions in the coupon booklet (Form 8109) and Pub. 583, Taxpayers Starting a Business.

Caution: If the REIT owes tax when it files Form 1120-REIT, do not include the payment with the tax return. Instead, mail or deliver the payment with Form 8109 to a qualified depository or FRB.

Estimated Tax Payments

Generally, a REIT must make installment payments of estimated tax if it exceeds its estimated tax to be \$500 or more. For estimated tax purposes, the estimated tax of the REIT is defined as its alternative minimum tax less the credit for Federal tax paid on fuels. For a calendar or fiscal year REIT, the installments are due by the 15th day of the 4th, 6th, 9th, and 12th months of the tax year. If any date falls on a Saturday, Sunday, or legal holiday, the installment is due on the next regular workday. Use the deposit coupons (Forms 8109) to make deposits of estimated tax. For more information on estimated tax payments, including penalties that apply if the REIT fails to make required payments, see the instructions for line 25 on page 6.

If the REIT overpaid estimated tax, it may be able to get a "quick refund" by filing Form 4468, Corporation Application for Quick Refund of Overpayment of Estimated Tax. The overpayment must be at least 10% of expected income tax liability and at least \$500. To apply for a

quick return, file Form 4466 before the 16th day of the 3rd month after the end of the tax year, but before the REIT files its income tax return. Do not file Form 4466 before the end of the REIT's tax year.

Interest and Penalties

Interest.—Interest is charged on taxes not paid by the due date even if an extension of time to file is granted. Interest is also charged on penalties imposed for failure to file, negligence, fraud, gross valuation overstatements, and substantial understatements of tax from the due date (including extensions) to the date of payment. The interest charge is figured at a rate determined under section 6621.

Late filing of return.—A REIT that does not file its tax return by the due date, including extensions, may have to pay a penalty of 5% of the unpaid tax for each month or part of a month the return is late, up to a maximum of 25% of the unpaid tax. The minimum penalty for a return that is more than 60 days late is the smaller of the tax due or \$100. The penalty will not be imposed if the REIT can show that the failure to file on time was due to reasonable cause. REITs that file late must attach a statement explaining the reasonable cause.

Late payment of tax.—A REIT that does not pay the tax when due may have to pay a penalty of 1/2 of 1% of the unpaid tax for each month or part of a month, the tax is not paid, up to a maximum of 25% of the unpaid tax. This penalty may also apply to any additional tax not paid within 10 days of the date of the notice and demand for payment. The penalty will not be imposed if the REIT can show that the failure to pay on time was due to reasonable cause.

Other penalties.—Other penalties can be imposed for negligence, substantial understatement of tax, and fraud. See sections 6662 and 6663.

Unresolved Tax Problems

The IRS has a Problem Resolution Program for taxpayers who have been unable to resolve their problems with the IRS. If the REIT has a tax problem it has been unable to resolve through normal channels, write to the REIT's local IRS district director or call the REIT's local IRS office and ask for Problem Resolution Assistance. Hearing-impaired persons who have access to TDD equipment may call 1-800-829-4059 to ask for help. The Problem Resolution office will ensure that the problem receives proper attention. Although the office cannot change the tax law or make technical decisions, it can help clear up problems that resulted from previous contacts.

Other Forms, Returns, Schedules, and Statements That May Be Required

Forms

The REIT may have to file any of the following:

Form W-2, Wage and Tax Statement, and Form W-3, Transmittal of Income and Tax Statements.

Form 966, Corporate Dissolution or Liquidation.

Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons, and Form 1042S, Foreign Person's U.S. Source Income Subject to Withholding. Use these forms to report and transmit withheld tax on payments or distributions made to nonresident alien individuals, foreign partnerships, or foreign corporations to the extent payments or distributions constitute gross income from sources within the United States (see sections 861 through 865). For more information, see sections 1441 and 1442, and Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations.

Form 1096, Annual Summary and Transmittal of U.S. Information Returns.

Form 1098, Mortgage Interest Statement. This form is used to report the receipt from any individual of \$600 or more of mortgage interest and points in the course of the REIT's trade or business for any calendar year.

Forms 1099-A, B, DIV, INT, MISC, OID, PATR, R, and S. These information returns are for reporting abandonments, acquisitions through foreclosure, proceeds from broker and barter exchange transactions, certain dividends and distributions, interest payments, medical and dental health care payments, miscellaneous income payments, nonemployee compensation, original issue discount, patronage dividends, distributions from profit-sharing plans, retirement plans, individual retirement arrangements, insurance contracts, etc., and proceeds from real estate transactions. Also use these returns to report amounts received as a nominee on behalf of another person.

For more information, see the instructions for Form 1099 and Pub. 937, Employment Taxes and Information Returns.

Note: Every REIT must file Form 1099-MISC if, in the course of its trade or business, it makes payments of rents, commissions, or other fixed or determinable income (see section 6041) totaling \$600 or more to any one person during the calendar year.

Form 5452, Corporate Report of Nondividend Distributions.

Form 5498, Individual Retirement Arrangement Information. Use this form to report contributions (including rollover contributions) to an individual retirement arrangement (IRA) and the value of an IRA or simplified employee pension (SEP) account.

Form 5713, International Boycott Report, for persons having operations in or related to "boycotting" countries. Also, persons who participate in or cooperate with an international boycott may have to complete Schedule A or Schedule B and Schedule C of Form 5713 to compute their loss of the following items: the foreign tax credit, the deferral of earnings of a controlled foreign

corporation, IC-DISC benefits, and FSC benefits.

Form 8275, Disclosure Statement. Form 8275 is used by taxpayers and income tax return preparers to disclose items or positions, except those contrary to a regulation (see Form 8275-R, below), that are not otherwise adequately disclosed on a tax return. The disclosure is made to avoid parts of the accuracy-related penalty imposed for negligence, disregard of rules, or substantial understatement of tax. Form 8275 is also used for disclosures relating to preparer penalties for understatements due to unrealistic positions or for willful or reckless conduct.

Form 8275-R, Regulation Disclosure Statement, is used to disclose any item on a tax return for which a position has been taken that is contrary to Treasury regulations.

Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments. This form is generally required to be filed by issuers of public offerings of debt instruments within 30 days of the issuance of the debt instrument.

Form 8288, U.S. Withholding Tax Return for Dispositions by Foreign Persons of U.S. Real Property Interests, and Form 8288-A, Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests. Use these forms to report and transmit withheld tax on the sale of U.S. real property by a foreign person.

However, with respect to distributions described in Regulations section 1.1445-8, use Forms 1042 and 1042S. See section 1445 and the related regulations for additional information.

Form 8300, Report of Cash Payments Over \$10,000 Received in a Trade or Business. Generally, this form is used to report the receipt of more than \$10,000 in cash or foreign currency in one transaction or a series of related transactions.

After February 2, 1992, cashier's checks, bank drafts, and money orders with face amounts of \$10,000 or less are considered cash under certain circumstances. For more information, see Form 8300 and Regulations section 1.60501-1(c).

Form 8612, Return of Excise Tax on Undistributed Income of Real Estate Investment Trusts. If the REIT is liable for the 4% excise tax on undistributed income imposed under section 4981, it must file this return for the calendar year.

Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. A REIT that is a shareholder in a passive foreign investment company (as defined in section 1296) at any time during the tax year must complete and attach this form to its return.

Statements

Stock ownership in foreign corporations.—Attach the statement required by section 551(c) if (a) the REIT owned 5% or more in value of the outstanding stock of a foreign personal holding company and (b) the REIT was required to include in its gross income any undistributed foreign personal holding

company income from a foreign personal holding company.

A REIT may have to file Form 5471, Information Return of U.S. Persons With Respect to Certain Foreign Corporations, if any of the following applies:

1. It controls a foreign corporation.
 2. It acquires, disposes of, or owns 5% or more in value of the outstanding stock of a foreign corporation.
 3. It is a 10%-or-more shareholder of a foreign personal holding company.
 4. It owns stock in a foreign corporation that is a controlled foreign corporation for an uninterrupted period of 30 days or more during the tax year of the foreign corporation that ends with or within its tax year, and it owned that stock on the last day of the foreign corporation's tax year.
- Foreign ownership in a domestic corporation.**—A REIT may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. See page 9 for more information.

Transfers to a corporation controlled by the transferor.—If a person receives stock of a corporation in exchange for property, and no gain or loss is recognized under section 351, the person (transferor) and the transferee must each attach to their tax returns the information required by Regulations section 1.351-3.

Attachments

Attach Form 4136, Credit for Federal Tax Paid on Fuels, after page 4, Form 1120-REIT. Attach schedules in alphabetical order and other forms in numerical order after Form 4136.

To assist us in processing the return, complete every applicable entry space on Form 1120-REIT. Do not write "See attached" instead of completing the entry spaces. If more space is needed on the forms or schedules, attach separate sheets and show the information in the same order as on the printed forms. Show the REIT's totals on the printed forms. Please use sheets that are the same size as the forms and schedules. Attach these separate sheets after all the schedules and forms. Be sure to put the REIT's name and employer identification number (EIN) on each sheet.

Specific Instructions

Period covered.—File the 1992 return for calendar year 1992 and fiscal years that begin in 1992 and end in 1993. For a fiscal year, fill in the tax year space at the top of the form.

Note: The 1992 Form 1120-REIT may also be used if (1) the REIT has a tax year of less than 12 months that begins and ends in 1993 and (2) the 1993 Form 1120-REIT is not available by the time the REIT is required to file its return. However, the REIT must show its 1993 tax year on the 1992 Form 1120-REIT and incorporate any tax law changes that are effective for tax years beginning after December 31, 1992.

Name.—Type or print the REIT's true name (as set forth in the charter or other legal document creating it), address, and EIN on the appropriate lines.

Address.—Include the suite, room, or other unit number after the street address. If the Post Office does not deliver mail to the street address and the corporation has a P.O. box, show the box number instead of the street address.

Note: If a change in address occurs after the return is filed, the REIT should use Form 8822, Change of Address, to notify the IRS of the new address.

Item C. Employer identification number.—Show the correct EIN in item C on page 1 of Form 1120-REIT. If the REIT does not have an EIN, it should apply for one on Form SS-4, Application for Employer Identification Number. Form SS-4 can be obtained at most IRS or Social Security Administration (SSA) offices. If the REIT has not received its EIN by the time the return is due, write "Applied for" in the space for the EIN. See Pub. 583 for more information.

Item D. Date REIT established.—If the REIT is a corporation under state or local law, enter the date incorporated. If it is a trust or association, enter the date organized.

Item E. Total assets.—Enter the REIT's total assets (as determined by the accounting method regularly used in keeping the REIT's books and records) at the end of the tax year. If there are no assets at the end of the tax year, enter the total assets as of the beginning of the tax year.

Item F. Final return, change in address, or amended return.—If the REIT ceases to exist, file Form 1120-REIT and check the "Final return" box. If the REIT has changed its address since it last filed a return, check the box for "Change in address." If the REIT is amending its return, check the box for "Amended return."

Part I—Real Estate Investment Trust Taxable Income

Do not include income or deductions attributable to any prohibited transaction (as defined in section 857(b)(6)) resulting in a gain. In addition, exclude gross income, gains, losses, and deductions from foreclosure property (as defined in section 856(e)) if the aggregate of such amounts results in net income. To report these items of income and deduction, see the instructions for Parts II and IV.

Income

Line 1. Dividends.—Enter the total amount of dividends received during the tax year.

Line 2. Interest.—Enter taxable interest on U.S. obligations and on loans, notes, mortgages, bonds, bank deposits, corporate bonds, tax refunds, etc.

Do not offset interest expense against interest income.

Special rules apply to interest income from certain below-market rate loans. See section 7872 for more information.

Line 3. Gross rents from real property.—Include charges for services customarily furnished or rendered in connection with the rental of real property and rent from personal property leased under or in connection with a lease of real property (provided the rent from the personal property does not exceed 15% of the total rent for the tax year charged for both the real and personal property under such lease). See section 856(d)(2) for amounts excluded from the term "rents from real property."

Line 4. Other gross rents.—Enter the gross amount received for the rental of property not included on line 3.

Line 5. Capital gain net income.—Every sale or exchange of a capital asset must be reported in detail on Schedule D (Form 1120), Capital Gains and Losses, even though no gain or (loss) is indicated.

Line 7. Other income.—Enter any other taxable income not reported on lines 1 through 6, except amounts that must be reported in an attached schedule. If the REIT has only one item of other income, describe it in parentheses on line 7. Examples of other income to report on line 7 are:

- Any adjustment under section 481(a) required to be included in income during the current tax year due to a change in a method of accounting;
- Amounts received or accrued as consideration for entering into agreements to make real property loans or to purchase or lease real property;
- Recoveries of bad debts deducted in prior years under the specific charge-off method;
- The amount of credit for alcohol used as fuel (determined without regard to the limitation based on tax) that was entered on Form 6478, Credit for Alcohol Used as Fuel; and
- Refunds of taxes deducted in prior years to the extent they reduced income subject to tax in the year deducted (see section 111). Do not offset current year taxes against tax refunds.

Deductions

Limitations on Deductions

Direct and indirect costs (including taxes) allocable to real or tangible personal property constructed or improved by the taxpayer.—These costs must be capitalized in accordance with section 263A.

Transactions between related taxpayers.—Generally, an accrual basis taxpayer may only deduct business expenses and interest owed to a related party in the year the payment is included in the income of the related party. See sections 163(j), 163(e)(3), and 267 for limitations on deductions for unpaid interest and expenses.

Golden parachute payments.—A portion of the payments made by a REIT to key personnel that exceeds their usual compensation may not be deductible. This occurs when the REIT has an agreement (golden parachute) with these key

employees to pay them these excessive amounts if control of the REIT changes. See section 280G.

Business startup expenses.—Business startup expenses are required to be capitalized unless an election is made to amortize them over a period of 60 months. See section 195.

Passive activity limitations.—Limitations on passive activity losses and credits under section 469 apply to REITs that are closely held (as defined in section 856(h)). REITs subject to the passive activity limitations must complete Form 8810, Corporate Passive Activity Loss and Credit Limitations, to compute their allowable passive activity loss and credit.

Line 9. Compensation of officers.—Do not include compensation deductible elsewhere on the return, such as elective contributions to a section 401(k) cash or deferred arrangement, or amounts contributed under a salary reduction SEP agreement.

Line 10. Salaries and wages.—Enter total salaries and wages paid or incurred for the tax year. Do not include salaries and wages deductible elsewhere on the return, such as elective contributions to a section 401(k) cash or deferred arrangement, or amounts contributed under a salary reduction SEP agreement.

Caution: If the REIT provided taxable fringe benefits to its employees, such as personal use of a car, do not deduct as wages the amounts allocated for depreciation and other expenses claimed on lines 16 and 18.

Enter on line 10b the amount of jobs credit from Form 5894, Jobs Credit.

Line 11. Repairs.—Enter the cost of incidental repairs, such as labor and supplies, that do not add to the value of the property or appreciably prolong its life. New buildings, machinery, or permanent improvements that increase the value of the property are not deductible. They must be depreciated or amortized.

Line 12. Bad debts.—Enter the total debts that became worthless in whole or in part during the tax year.

Caution: A cash method taxpayer may not claim a bad debt deduction unless the amount was previously included in income.

Line 13. Rents.—If the REIT rented or leased a vehicle, enter the total annual rent or lease expense paid or incurred during the year. Also complete Part V of Form 4562, Depreciation and Amortization. If the REIT leased a vehicle for a term of 30 days or more, the deduction for the vehicle lease expense may have to be reduced by an amount called the inclusion amount. The REIT may have an inclusion amount if:

And the vehicle's fair market value on the first day of

The lease term began:	the lease exceeded:
After 12/31/91	\$14,000
After 12/31/90 but before 1/1/92	\$13,400
After 12/31/86 but before 1/1/91	\$12,800

If the lease term began after June 18, 1984, but before January 1, 1987, see Pub. 917, Business Use of a Car, to find out if the REIT has an inclusion amount. Also see Pub. 917 for instructions on figuring the inclusion amount.

Line 14. Taxes.—Enter taxes paid or incurred during the tax year, but do not include the following:

- Federal income taxes;
- Foreign or U.S. possession income taxes if a tax credit is claimed;
- Taxes not imposed on the REIT;
- Taxes, including state or local sales taxes, that are paid or incurred in connection with an acquisition or disposition of property (these taxes must be treated as a part of the cost of the acquired property or, in the case of a disposition, as a reduction in the amount realized on the disposition);
- Taxes assessed against local benefits that increase the value of the property assessed (such as for paving, etc.);
- Taxes deducted elsewhere on the return; or
- Excise taxes imposed under section 4981 on undistributed REIT income.

See section 164(d) for apportionment of taxes on real property between seller and purchaser.

Line 15. Interest.—If the proceeds of a loan were used for more than one purpose (e.g., to purchase a portfolio investment and to acquire an interest in a passive activity), an interest allocation must be made. See Temporary Regulations section 1.163-8T for the interest allocation rules.

Do not include interest on indebtedness incurred or continued to purchase or carry obligations if the interest is wholly exempt from income tax. For exceptions, see section 265(b).

Generally, a cash basis taxpayer cannot deduct prepaid interest allocable to years following the current tax year. For example, a cash basis calendar year taxpayer who in 1992 prepaid interest allocable to any period after 1992 can deduct only the amount allocable to 1992.

Generally, the interest and carrying charges on straddles must be capitalized. See section 263(g).

See section 163(e)(5) for special rules for the disqualified portion of original issue discount on a high yield discount obligation.

Certain interest paid or accrued by the REIT (directly or indirectly) to a related person may be limited if no tax is imposed on that interest. See section 163(j) for more detailed information.

See section 7872 for special rules regarding the deductibility of forgone interest on certain below-market-rate loans.

Line 16. Depreciation.—Besides depreciation, include on line 16 the part of the cost (up to \$10,000) that the REIT elected to expense for certain tangible property placed in service during tax year 1992 or carried over from 1991. See Form 4562, Depreciation and Amortization, and its instructions.

Line 18. Other deductions.—Attach a separate sheet listing all allowable deductions that are not deductible elsewhere on Form 1120-REIT. Enter the total on this line.

Include on this line charitable contributions deductible under section 170

and amortization of organization expenses. Include contributions or gifts actually paid within the tax year to or for the use of charitable and governmental organizations described in section 170(c) and any unused contributions carried over from prior years.

The total amount claimed may not be more than 10% of taxable income. See section 170(b)(2) for more information.

If a REIT (other than a closely held corporation) contributes property other than cash and the deduction claimed for the property exceeds \$500, the REIT must attach a schedule to the return describing the kind of property contributed and the method used to determine its fair market value. A closely held REIT must complete Form 8283, Noncash Charitable Contributions, and attach it to its return. All other REITs generally must complete and attach Form 8283 to their returns for contributions of property other than money if the total claimed deduction for all property contributed was more than \$5,000.

REITs on the accrual basis may elect to deduct contributions paid by the 15th day of the 3rd month after the end of the tax year if the contributions are authorized by the board of directors during the tax year. Attach a declaration to the return, signed by an officer, stating that the resolution authorizing the contributions was adopted by the board of directors during the tax year. Also attach a copy of the resolution.

A REIT must also keep records, as required by the regulations for section 170, for all of its charitable contributions. If the contribution carryover is included, show the amount and how it was determined.

Also include on line 18 the deduction for contributions to pension, profit-sharing, or other funded deferred compensation plans. Employers who maintain such a plan generally must file one of the forms listed below, even if the plan is not a "qualified" plan under the Internal Revenue Code. The filing requirement applies even if the REIT does not claim a deduction for the current tax year. There are penalties for failure to file these forms on time and for overstating the pension plan deduction. See sections 6652(e) and 6652(f).

Form 5500.—Complete this form for each plan with 100 or more participants.

Form 5500-C/R.—Complete this form for each plan with fewer than 100 participants. **Form 5500-EZ.**—Complete this form for a one-participant plan. The term "one-participant plan" also means a plan that covers the owners and their spouses or a plan that covers partners in a business partnership (or the partners and their spouses).

Generally, a deduction may not be taken for any amount that is allocable to a class of exempt income. See section 265(b) for exceptions.

Generally, a REIT can deduct only 80% of the amount otherwise allowable for meals and entertainment expenses. Also, meals must not be lavish or extravagant; a bona fide business discussion must occur during, immediately before, or immediately

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after the meal; and an employee of the REIT must be present at the meal. See section 274(k)(2) for exceptions. If a REIT claims a deduction for unallowable meal expenses, it may have to pay a penalty. Additional limitations apply to deductions for gifts, skybox rentals, luxury water travel, convention expenses, and entertainment tickets. For details, see section 274 and Pub. 483, Travel, Entertainment, and Gift Expenses.

Generally, a REIT can deduct all other ordinary and necessary travel expenses paid or incurred in its trade or business. However, it cannot deduct an expense paid or incurred for a facility (such as a yacht or hunting lodge) that is used for an activity that is usually considered entertainment, amusement, or recreation.

Note: The REIT may be able to deduct the expense if the amount is treated as compensation and reported on Form W-2 for an employee or on Form 1099-MISC for an independent contractor.

Note: Do not deduct penalties such as those listed under Interest and Penalties beginning on page 3.

Line 20. Taxable income before net operating loss deduction, total deduction for dividends paid, and section 857(b)(2)(E) deduction.—Special at-risk rules under section 465 generally apply to closely held REITs engaged in any activity as a trade or business or for the production of income. These REITs may have to adjust the amount on line 20. But the at-risk rules do not apply to the following:

- Holding real property placed in service by the taxpayer before 1987;
- Equipment leasing under sections 465(c)(4), (5), and (6); and
- Any qualifying business of a qualified corporation under section 465(c)(7).

However, the at-risk rules do apply to the holding of mineral property.

For more information, see section 465 and Form 6198, At-Risk Limitations.

Line 21a. Net operating loss deduction.—The net operating loss (NOL) deduction is the amount of the NOL carryovers that can be deducted in the tax year. See section 172(a). If this deduction is taken, show its computation on an attached schedule.

If capital gain dividends are paid during any tax year, the amount of the net capital gain for such tax year (to the extent of the capital gain dividends) is excluded in determining: (1) the NOL for the tax year, and (2) the amount of the NOL of any prior tax year that may be carried over to any succeeding tax year.

Generally, a REIT may carry an NOL over to each of the 15 years following the year of loss. REITs are not permitted to carry back an NOL to any year preceding the year of the loss. In addition, an NOL from a year that is not a REIT year may not be carried back to any year that is a REIT year.

After applying the NOL to the first tax year to which it may be carried, the portion of the loss the REIT may carry to each of the remaining tax years is the excess, if

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any, of the loss over the sum of the modified taxable income for each of the prior tax years to which the REIT may carry the loss.

See section 172 for special rules, limitations, and definitions pertaining to NOL carryovers. Also get Pub. 536, Net Operating Losses.

See section 382 for the limitation on the amount of taxable income of a loss corporation for any tax year ending after a post-1986 ownership change that may be offset by pre-charge NOL carryovers. Also see Temporary Regulations section 1.382-2T(a)(2)(ii), which requires that a loss corporation file an information statement with its income tax return for each tax year that it is a loss corporation and certain shifts in ownership occurred.

See section 384 for the limitation on the use of preacquisition losses of one corporation to offset recognized built-in gains of another corporation.

Tax and Payments

Line 24b. Estimated tax payments.—Enter any estimated tax payments the REIT made for the tax year.

Line 24h.—Add the amounts on lines 24d through 24g and enter the total on line 24h.

Backup withholding.—If the REIT had income tax withheld from any payments it received, because, for example, it failed to give the payer its correct employer identification number, include the amount withheld in the total for line 24h. This type of withholding is called "backup withholding." Show the amount withheld in the blank space in the right-hand column between lines 23 and 24h, and label the amount "backup withholding."

Line 25. Estimated tax penalty.—A REIT that does not make estimated tax payments when due may be subject to an underpayment penalty for the period of underpayment. Generally, a REIT is subject to the penalty if its tax liability is \$500 or more, and it did not timely pay the smaller of (a) 93% of its alternative minimum tax minus the credit for Federal tax paid on fuels as shown on the return (97% of this amount for a tax year beginning after June 30, 1992), or (b) 100% of its prior year's tax (computed in the same manner). See section 6655 for details and exceptions, including special rules for large corporations.

Form 2220, Underpayment of Estimated Tax by Corporations. is used to see if the REIT owes a penalty and to figure the amount of the penalty. Generally, the REIT does not have to file this form because the IRS can figure the amount of any penalty and bill the REIT for it. However, the REIT must complete and attach Form 2220 even if the REIT does not owe the penalty if:

- The annualized income or adjusted seasonal installment method is used, or
- The REIT is a "large corporation" computing its first required installment based on the prior year's tax. (See the instructions for Form 2220 for the definition of a "large corporation.")

If Form 2220 is attached, be sure to check the box on line 25, page 1, Form 1120-REIT, and enter the amount of any penalty on this line.

Part II—Tax on Net Income From Foreclosure Property

Do NOT complete Part II unless the total of the gross income, gains, losses, and deductions from foreclosure property (as defined in section 856(e)) results in net income. If an overall net loss results, report the gross income, gains, losses, and deductions from foreclosure property on the appropriate lines in Part I, page 1.

Property may be treated as foreclosure property only if the property meets the requirements of section 856(e) and the REIT elects to so treat the property in the year the property was acquired. This election must be made by the due date for filing Form 1120-REIT (including extensions) by attaching a statement indicating that the election under section 856(e) is being made and identifying the property to which the election applies. The statement must also set forth the name, address, and EIN of the REIT, the date the property was acquired, and a brief description of how the property was acquired (including the name of the person from whom the property was acquired and a description of the lease or debt with respect to which default occurred or was imminent). Once made, the election is irrevocable. See section 856(e) and Regulations section 1.856-6 for additional information.

Line 2. Gross income from foreclosure property.—Do NOT include amounts described in sections 856(c)(3)(A), (B), (C), (D), (E), or (G). These amounts must be reported in Part I.

Line 4. Deductions.—Only those expenses that have a proximate and primary relationship to the earning of the income shown on line 3 may be deducted to arrive at net income from foreclosure property. The deductions include depreciation on foreclosure property, interest paid or accrued on debt of the REIT that is attributable to the carrying of the property, real estate taxes, and fees charged by an independent contractor to manage such property. Do not deduct general overhead and administrative expenses in Part II.

Line 6. Deductions.—Only those expenses that have a proximate and primary relationship to the earning of the income shown on line 3 may be deducted to arrive at net income from foreclosure property. The deductions include depreciation on foreclosure property, interest paid or accrued on debt of the REIT that is attributable to the carrying of the property, real estate taxes, and fees charged by an independent contractor to manage such property. Do not deduct general overhead and administrative expenses in Part II.

Line 4. Deductions.—Only those expenses that have a proximate and primary relationship to the earning of the income shown on line 3 may be deducted to arrive at net income from foreclosure property. The deductions include depreciation on foreclosure property, interest paid or accrued on debt of the REIT that is attributable to the carrying of the property, real estate taxes, and fees charged by an independent contractor to manage such property. Do not deduct general overhead and administrative expenses in Part II.

Part III—Tax Imposed Under Section 857(b)(5) for Failure To Meet Certain Source-of-Income Requirements

All REITs must complete lines 1a through 8 of Part III. If line 8 is zero, the tax imposed under section 857(b)(5) does not apply and the rest of Part III should not be completed. If line 8 is greater than zero, complete all of Part III and enter the tax from line 16 on Schedule J, line 3c. **Caution:** If line 8 is greater than zero, the REIT MUST:

- Attach a schedule listing the nature and amount of each item of its gross income described in sections 856(c)(2) and (3);

- Not have fraudulently included any incorrect information in the attached schedule; and
- Have reasonable cause for not meeting the requirements of sections 856(c)(2) and (3).

Failure to meet these three conditions will terminate the election to be treated as a REIT effective for this tax year and all succeeding tax years.

Part IV—Tax on Net Income From Prohibited Transactions

Section 857(b)(6) imposes a tax equal to 100% of the net income derived from prohibited transactions. The 100% tax is imposed to prevent a REIT from retaining any profit from ordinary retailing activities such as sales to customers of condominium units or subdivided lots in a development tract.

Line 1. Gain from the sale or other disposition of property.—Include only gain from the sale or other disposition of property described in section 1221(f) that is not foreclosure property (as defined in section 856(e)) and that does not qualify as an exception under section 857(b)(6)(C).

Do not net losses from prohibited transactions against gains in determining the amount to enter on line 1. Enter losses from prohibited transactions on the appropriate line in Part I.

Line 2. Deductions.—Only those expenses that have a proximate and primary relationship to the earning of the income shown on line 1 may be deducted to arrive at net income from prohibited transactions. Do not deduct general overhead and administrative expenses in Part IV.

Tax on Certain Built-in Gains

The IRS expects to issue regulations under section 337(d) that will impose a tax on the net built-in gain of C corporation assets in connection with:

1. The qualification of a corporation to be taxed as a REIT, or
2. The transfer of such assets to a REIT in a carryover basis transaction.

Generally, the net built-in gain equals the excess of total gains over total losses that would have been realized if the corporation had sold all of its assets at their respective fair market values on the relevant date described below and immediately liquidated. Unless the corporation makes the election described below, the gain must be recognized by the corporation as of: (a) the last day of the tax year immediately preceding the year in which it qualified as a REIT; in the case of 1. above; or (b) the day before the date of the transfer of assets, in the case of 2. above.

Election.—The regulations will allow the REIT to elect to pay the tax on any built-in gains recognized within a 10-year period on the assets held by the corporation before it was taxed as a REIT or before it transferred the assets in a carryover basis transaction to the REIT. The built-in gains of an electing REIT, and the tax imposed on the gains will be subject to rules similar

to the rules relating to net income from foreclosure property under section 857.

In the case of a corporation qualifying to be taxed as a REIT, the regulations generally will apply to tax years beginning after June 9, 1987. However, the regulations will not apply to any corporation that was taxed as a REIT for its tax year that included June 9, 1987. In the case of carryover basis transactions, the regulations will generally apply to transactions occurring after June 9, 1987.

For more information, see Notice 88-19, 1988-1 C.B. 486.

Note: Details on how to compute and report this tax on Form 1120-REIT (if the REIT makes the election described above) will be announced by the IRS after publication of the regulations under section 337(f). If the REIT is required to file Form 1120-REIT before these details are announced, the REIT should not include the built-in gains tax on Form 1120-REIT at the time of original filing. Rather, the tax should be reported on an amended Form 1120-REIT filed after the announcement is issued by the IRS.

Schedule A—Deduction for Dividends Paid

Lines 1 through 5.—Section 561 (taking into account sections 857(b)(8) and 858(A)) determines the deduction for dividends paid.

Line 3.—Dividends declared in October, November, or December and payable to shareholders of record in October, November, or December are treated by the REIT as paid on December 31 of that calendar year. The REIT is then eligible for the deduction for dividends paid for the year the dividends are declared even though they are not actually paid until January of the following calendar year.

If the REIT declared dividends in any of those months and actually paid them in January, as discussed above, enter on line 3 those dividends not already included on lines 1, 2, and 4 of Schedule A.

Line 6.—If, for any tax year the REIT has net income from foreclosure property (as defined in section 857(b)(4)(B)), the deduction for dividends paid to be entered on line 6 (and on line 21b, page 1) is determined by multiplying the amount on line 5 by the following fraction:

Each member of a controlled group computes its tax as follows:

- | | |
|--|-----------|
| 1. Enter REIT taxable income (line 22, page 1, Form 1120-REIT). | 1. _____ |
| 2. Enter line 1 or the REIT's share of the \$50,000 taxable income bracket, whichever is less. | 2. _____ |
| 3. Subtract line 2 from line 1. | 3. _____ |
| 4. Enter line 3 or the REIT's share of the \$25,000 taxable income bracket, whichever is less. | 4. _____ |
| 5. Subtract line 4 from line 3. | 5. _____ |
| 6. Multiply line 2 by 15%. | 6. _____ |
| 7. Multiply line 4 by 25%. | 7. _____ |
| 8. Multiply line 5 by 34%. | 8. _____ |
| 9. If the taxable income of the controlled group exceeds \$100,000, enter this member's share of the smaller of (a) 5% of the excess over \$100,000, or (b) \$11,750. (See Additional 5% tax on page 8.) | 9. _____ |
| 10. Add lines 6 through 9. Enter this amount on line 3a, Schedule J, Form 1120-REIT. | 10. _____ |

REIT taxable income (determined without regard to the deduction for dividends paid)
 REIT taxable income (determined without regard to the deduction for dividends paid) + (Net income from foreclosure property minus the tax on net income from foreclosure property)

Schedule J—Tax Computation

Lines 1 and 2

Members of a controlled group.—A member of a controlled group, as defined in section 1563, must check the box on line 1 and complete lines 2a and 2b of Schedule J.

Members of a controlled group are entitled to one \$50,000 and one \$25,000 taxable income bracket amount (in that order) on line 2a.

When a controlled group adopts or later amends an apportionment plan, each member must attach to its tax return a copy of its consent to this plan. The copy (or an attached statement) must show the part of the amount in each taxable income bracket apportioned to that member. There are other requirements as well. See Regulations section 1.1561-3(b) for the requirements and for the time and manner of making the consent.

Equal apportionment plan. If no apportionment plan is adopted, the members of the controlled group must divide the amount in each taxable income bracket equally among themselves. For example, Controlled Group AB consists of Corporation A and Corporation B. They do not elect an apportionment plan. Therefore, both Corporation A and Corporation B are entitled to \$25,000 (one-half of \$50,000) in the \$50,000 taxable income bracket on line 2a(i) and to \$12,500 (one-half of \$25,000) in the \$25,000 taxable income bracket on line 2a(ii).

Unequal apportionment plan. Members of a controlled group may elect an unequal apportionment plan and divide the taxable income brackets as they want. There is no need for consistency between taxable income brackets. Any member of the controlled group may be entitled to all, some, or none of the taxable income brackets. However, the total amount for all members of the controlled group cannot be more than the total amount in each taxable income bracket.

Additional 5% tax. Members of a controlled group are treated as one corporation for purposes of figuring the applicability of the additional 5% tax that must be paid by corporations with taxable income in excess of \$100,000. If the additional tax applies, each member of the controlled group will pay that tax based on the part of the amount that is used in each taxable income bracket to reduce that member's tax. See section 1561(a). Each member of the group must enter its share of the additional 5% tax on line 2b and attach to its tax return a schedule that shows the taxable income of the entire group as well as how its share of the additional tax was figured.

Line 3a.—A REIT must compute the tax on REIT taxable income as follows (members of a controlled group should see the instructions on page 7 for lines 1 and 2):

Tax Rate Schedule

If taxable income (line 22, Form 1120-REIT), page 1 is:

Over—	But not over—	Tax is:	Of the amount over—
\$0	\$50,000	15%	\$0
50,000	75,000	\$7,500 + 25%	50,000
75,000	100,000	\$13,750 + 34%	75,000
100,000	335,000	22,250 + 39%	100,000
335,000	-----	34%	0

Line 3e. Deferred tax amount under section 1291.—If the REIT was a shareholder in a passive foreign investment company (PFIC), and the fund received an excess distribution or disposed of its investment in the PFIC during the year, it must include the aggregate increase in taxes due under section 1291(c)(2) in the amount entered on line 3e, Schedule J. On the dotted line to the left of line 3e, Schedule J, write "Section 1291" and the amount.

Do not include on line 3e the interest due under section 1291(c)(3). Instead, write "Section 1291 interest" and the amount owed in the bottom margin of page 1, Form 1120-REIT. For details, see Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund.

Line 4a. Foreign tax credit.—To find out when a REIT can take this credit for payment of income tax to a foreign country or U.S. possession, see Form 1118, Foreign Tax Credit—Corporations.

Line 4b. General business credit.—Complete this line if the REIT can take any of the following credits. If the REIT has two or more of these credits, a credit carryforward or carryback (including an ESOP credit), or a passive activity credit, Form 3800, General Business Credit, must also be completed. Enter the amount of the general business credit on line 4b, and check the box for Form 3800. If the REIT has only one credit, enter on line 4b the amount of the credit from the form. Also be sure to check the appropriate box for that form.

Investment credit. The investment credit was generally repealed for property placed in service after 1985. See Form 3468, Investment Credit, for exceptions.

Jobs credit. The REIT may qualify to take this credit if it hired members of special targeted groups during the tax year. See Form 5884, Jobs Credit, for more information.

Note: The REIT may not take an expense deduction for the part of the wages or salaries paid or incurred that is equal to the amount of the jobs credit (determined without regard to the limitation based on the tax (section 38(c))).

Credit for alcohol used as fuel. A REIT may be able to take a credit for alcohol used as fuel. Use Form 8478, Credit for Alcohol Used as Fuel, to figure the credit.

Credit for increasing research activities. See Form 6785, Credit for Increasing Research Activities, and section 41.

Low-income housing credit. See Form 8586, Low-Income Housing Credit, and section 42.

Enhanced oil recovery credit. A REIT may claim a credit for 15% of its qualified enhanced oil recovery costs. Use Form 8830, Enhanced Oil Recovery Credit, to figure the credit.

Disabled access credit. A REIT may be able to take a credit for certain expenditures paid or incurred to assist individuals with disabilities. See Form 8826, Disabled Access Credit, and section 44.

Line 4c. Credit for prior year minimum tax.—To figure the minimum tax credit and any carryforward of that credit, use Form 8827, Credit for Prior Year Minimum Tax—Corporations.

Line 4d. Credit for fuel produced from a nonconventional source.—A credit is allowed for the sale of qualified fuels produced from a nonconventional source. Section 29 contains a definition of qualified fuels, provisions for figuring the credit, and other special rules. Attach a separate schedule to the return showing the computation of the credit. Include the amount of the credit in the total for line 4d, Schedule J. Write next to the entry for line 4d the amount of the credit and identify it as "Section 29 credit."

Also see Form 8627 if any of the 1991 credit is disallowed solely because of the tentative minimum tax limitation. Also see section 53(d).

Line 6. Personal holding company tax.—A REIT is taxed as a personal holding company under section 542 if:

- At least 60% of its adjusted ordinary gross income for the tax year is personal holding company income, and
- At any time during the last half of the tax year more than 50% in value of its outstanding stock is owned, directly or indirectly, by five or fewer individuals.

See section 543(a) for the definition of personal holding company income and section 543(b)(2) for the definition of adjusted ordinary gross income.

To figure this tax, use Schedule PH (Form 1120), U.S. Personal Holding Company Tax.

Line 7. Recapture taxes.—

Recapture of investment credit. If the REIT disposed of investment credit property or changed its use before the end of its useful life or recovery period, it may owe a tax. See Form 4255, Recapture of Investment Credit, for details.

Recapture of low-income housing credit. If the REIT disposed of property (or there was a reduction in the qualified basis of the property) on which it took the low-income housing credit, it may owe a tax. See Form 8611, Recapture of Low-Income Housing Credit, and section 42(j) for details.

Line 8. Alternative minimum tax.—The REIT may owe the alternative minimum tax if it has any of the adjustments and tax preference items listed on Form 4626, Alternative Minimum Tax—Corporations. The REIT must file Form 4626 if its taxable income (loss) combined with these adjustments and tax preference items is more than the smaller of:

- \$40,000, or
- The REIT's allowable exemption amount (from Form 4626).

For this purpose, taxable income does not include the NOL deduction. Get Form 4626 for details.

Reduce the alternative minimum tax by any amount on Form 3800, Schedule A, line 34. On the dotted line to the left of line 8, write "Section 38(c)(2)" and the amount.

Line 9. Total tax.—Interest on tax attributable to payments received on installment sales of certain timeshares and residential lots. If the REIT elected to pay interest on the amount of tax attributable to payments received on installment obligations arising from the disposition of certain timeshares and residential lots under section 453(i)(3), it must include the interest due in the amount to be entered on line 9, Schedule J. On the dotted line to the left of line 9, Schedule J, write "Section 453(i)(3) interest" and the amount. Attach a schedule showing the computation.

Interest on tax deferred under the installment method for certain nondealer installment obligations. If an obligation arising from the disposition of property to which section 453A applies is outstanding at the close of the year, the REIT must include the interest due under section 453A(c) on line 9, Schedule J. On the dotted line to the left of line 9, Schedule J, write "Section 453A(c) interest" and the amount. Attach a schedule showing the computation.

Deferred tax and interest on undistributed earnings of a qualified electing fund under section 1294.—Complete Form 8621 to determine the REIT's share of tax attributable to the undistributed earnings of a qualified electing fund, or the deferred tax due, if any, as a result of the termination of a section 1294 election. See the instructions for Form 8621 to figure the amount of tax to include in, or subtract from the total on line 9. Form 8621 also explains how to report any interest due under section 1294 on the deferred tax.

Schedule K—Other Information

The following instructions apply to questions 1 through 10 on page 3, Form 1120-REIT. Be sure to answer all of the questions that apply to the REIT.

Question 3a

Check the "Yes" box for question 3a if the REIT is a subsidiary in a parent-subsidiary controlled group.

Any REIT that meets the requirement above should check the "Yes" box. This applies even if the REIT is a subsidiary member of one group and the parent corporation of another.

Note: If the REIT is an "excluded member" of a controlled group (see section 1563(b)(2)), it is still considered a member of a controlled group for this purpose.

Parent-subsidiary controlled group.—The term "parent-subsidiary controlled group" means one or more chains of corporations connected through stock ownership (section 1563(a)(1)). Both of the following requirements must be met:

1. 80% of the total combined voting power of all classes of stock entitled to vote or at least 80% of the total value of all classes of stock of each corporation in the group (except the parent) must be owned by one or more of the other corporations in the group.

2. The common parent must own at least 80% of the total combined voting power of all classes of stock entitled to vote or at least 80% of the total value of all classes of stock of at least one of the other corporations in the group.

Stock owned directly by other members of the group is not counted when computing the voting power or value.

See section 1563(d)(1) for the definition of "stock" for purposes of determining stock ownership above.

Question 4

Check the "Yes" box if one foreign person owned at least 25% of (a) the total voting power of all classes of stock of the corporation entitled to vote or (b) the total value of all classes of stock of the corporation.

Enter on line 4a the percentage owned by the foreign person specified in question 4. On line 4b, write the name of the owner's country.

Note: If there is more than one 25%-or-more foreign owner, complete lines 4a and 4b for the foreign person with the highest percentage of ownership.

Foreign person.—The term "foreign person" means:

- A foreign citizen or nonresident alien,
- A foreign partnership,
- A foreign corporation, or

- Any foreign estate or trust within the meaning of section 7701(a)(31).
- Owner's country.**—For individuals, the term "owner's country" means the country of residence. For all others, it is the country where incorporated, organized, created, or administered.

Requirement to file Form 5472.—If the REIT checked "Yes" to Question 4, it may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Generally, a 25% foreign-owned corporation that had a reportable transaction with a foreign or domestic related party during the tax year must file Form 5472. Form 5472 must be filed by the due date of the REIT's income tax return (including extensions). Attach Form 5472 to the tax return and file a copy of Form 5472 with the Internal Revenue Service Center, Philadelphia, PA 19255.

If the REIT's tax return is not filed when due, Form 5472 must nevertheless be timely filed at the service center where the tax return is due (with a copy to Philadelphia). When the tax return is filed, attach a copy of the previously filed Form 5472.

Penalties for failure to file Form 5472.—If a REIT doesn't file Form 5472 as described above, a \$10,000 penalty applies. The penalty also applies for failure to maintain records as required by Regulations section 1.6038A-3. For details, see Form 5472.

Question 6

Foreign financial accounts.—Check the "Yes" box if either 1 or 2, below, applies to the REIT. Otherwise, check the "No" box:

1. At any time during the 1992 calendar year the REIT had an interest in or signature or other authority over a bank, securities, or other financial account in a foreign country; and
 - The combined value of the accounts was more than \$10,000 at any time during the year; and
 - The account was NOT with a U.S. military banking facility operated by a U.S. financial institution.
2. The REIT owns more than 50% of the stock in any corporation that would answer "Yes" to item 1 above.

Get Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts, to see if the REIT is considered to have an interest in or signature or other authority over a financial account in a foreign country.

If "Yes" is checked for this question, file Form TD F 90-22.1 by June 30, 1993, with the Department of the Treasury at the address shown on the form. Form TD F

90-22.1 is not a tax return, so do not file it with Form 1120-REIT.

Form TD F 90-22.1 may be obtained from IRS Forms Distribution Centers or by calling the IRS toll-free number, 1-800-TAX-FORM (1-800-829-3676).

Also, if "Yes" is checked for this question, write the name of the foreign country or countries. Attach a separate sheet if more space is needed.

Question 10

Tax-exempt interest.—In the space provided, show any tax-exempt interest received or accrued. Include any exempt-interest dividends received as a shareholder in a mutual fund or other regulated investment company.

Schedule L—Balance Sheets

Line 4. Tax-exempt securities.—Include on this line:

1. State and local government obligations, the interest on which is excludable from gross income under section 103(a), and
2. Stock in a mutual fund or other regulated investment company that distributed exempt-interest dividends during the tax year of the REIT.

Schedule M-1—Reconciliation of Income per Books With Income per Return

Line 5c. Travel and entertainment.—Include on line 5c any of the following:

- The 20% of the meals and entertainment not allowed under section 274(h).
 - Expenses for the use of an entertainment facility.
 - The part of business gifts over \$25.
 - Expenses of an individual in excess of \$2,000, which are allocable to conventions on cruise ships.
 - Employee achievement awards over \$400.
 - The cost of entertainment tickets over face value (also subject to 20% disallowance under section 274(h)).
 - The cost of skyboxes over the face value of nonluxury box seat tickets.
 - The part of luxury water travel not allowed under section 274(m).
 - Expenses for travel as a form of education.
 - Other travel and entertainment expenses not allowed as a deduction.
- Line 7. Tax-exempt interest.**—Include as interest on line 7 any exempt-interest dividends received by the REIT as a shareholder in a mutual fund or other regulated investment company.

Form 1120-RIC

U.S. Income Tax Return for Regulated Investment Companies

OMB No. 1545-1010

1992

Department of the Treasury Internal Revenue Service
For calendar year 1992 or tax year beginning 1992, and ending 1992
Instructions are separate. See page 1 for Paperwork Reduction Act Notice.
A Year RIC status was elected
B Date fund was established
C Employer identification number
D Total assets (See page 4 of instructions.)

E Check applicable boxes: (1) Final return (2) Change in address (3) Amended return
F Check if the fund is a personal holding company (attach Sch. PH) or if the fund is not in compliance with Regs. sec. 1.852-6 for this tax year.

Part I—Investment Company Taxable Income

Table with 8 columns for income items: Dividends, Interest, Net foreign currency gain or (loss), Payments with respect to securities loans, Excess of net short-term capital gain or net long-term capital loss, Net gain or (loss) from Form 4797, Other income, Total income, Compensation of officers, Salaries and wages, Rents, Taxes, Interest, Depreciation, Advertising, Registration fees, Insurance, Accounting and legal services, Management and investment advisory fees, Transfer agency, shareholder servicing, and custodian fees and expenses, Reports to shareholders, Other deductions, Total deductions, Taxable income before deduction for dividends paid, Less: Deduction for dividends paid.

Table for Tax and Payments: Investment company taxable income, Total tax, Payments: 1991 overpayment credited to 1992, 1992 estimated tax payments, Less 1992 refund applied for on Form 4466, Tax deposited with Form 7004, Credit from other regulated investment companies, Credit for Federal tax paid on fuels, Estimated tax penalty, Tax due, Overpayment, Enter amount of line 31 you want: Credited to 1993 estimated tax, Refunded.

Please Sign Here: Signature of officer, Date, Title, Preparer's signature, Date, Check if self-employed, Preparer's social security no., Firm's name (or yours if self-employed) and address, E.I. No., ZIP code.

Cat. No. 64140B

Form 1120-RIC (1992)

Form 1120-RIC (1992)

Page 2

Part II—Tax on Undistributed Net Capital Gain Not Designated Under Section 852(b)(3)(D)

Table with 2 columns: Description, Amount. 1 Net capital gain from Schedule D, 2 Less: Capital gain dividends from Schedule A, 3 Amount subject to tax, 4 Capital gains tax.

Schedule A Deduction for Dividends Paid (Do not include exempt-interest dividends or capital gain dividends reported on Form 2438, line 9b.)

Table with 2 columns: (a) Ordinary Dividends, (b) Capital Gain Dividends. Rows 1-6b detailing dividend types and deductions.

Schedule B Information Required With Respect to Income From Tax-Exempt Obligations

Table with 2 columns: Description, Amount. 1 Did the fund qualify under section 852(b)(5) to pay exempt-interest dividends for 1992?, 2 Amount of interest excludable from gross income under section 103(a), 3 Amounts disallowed as deductions under sections 265 and 171(a)(2), 4 Net income from tax-exempt obligations, 5 Amount of line 4 designated as exempt-interest dividends.

Schedule E Compensation of Officers (See instructions for line 9, page 1.)

Complete Schedule E only if total receipts are \$500,000 or more.

Table with 5 columns: (a) Name of officer, (b) Social security number, (c) Percent of time devoted to business, (d) Percent of fund's stock owned, (e) Amount of compensation. Rows 1-2.

Schedule J Tax Computation (See instructions.)

Table with 2 columns: Description, Amount. 1 Check if the fund is a member of a controlled group, 2 If the box on line 1 is checked: a Enter the fund's share of the \$50,000 and \$25,000 taxable income bracket amounts, b Enter the fund's share of the additional 5% tax, 3a Tax on investment company taxable income, 3b Capital gains tax, 3c Total, 4a Foreign tax credit, 4b General business credit, 4c Credit for prior year minimum tax, 4d Total, 5 Subtract line 4d from line 3c, 6 Personal holding company tax, 7 Recapture taxes, 8 Alternative minimum tax, 9 Total tax.

1992


 Department of the Treasury
 Internal Revenue Service

Instructions for Form 1120-RIC

U.S. Income Tax Return for Regulated Investment Companies

(Section references are to the Internal Revenue Code unless otherwise noted.)

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping	54 hr., 3 min.
Learning about the law or the form	16 hr., 25 min.
Preparing the form	32 hr., 55 min.
Copying, assembling, and sending the form to the IRS	4 hr., 17 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. You can write to both the Internal Revenue Service, Washington, DC 20224, Attention: IRS Reports Clearance Officer, T:FP; and the Office of Management and Budget, Paperwork Reduction Project (1545-1010), Washington, DC 20503. **DO NOT** send the tax form to either of these offices. Instead, see **Where To File** on page 2.

General Instructions

Note: In addition to the publications listed in these instructions, regulated investment companies may want to get Pub. 534, Depreciation; Pub. 535, Business Expenses; Pub. 542, Tax Information on Corporations; and Pub. 946, How To Begin Depreciating Your Property.

Purpose of Form

Form 1120-RIC, U.S. Income Tax Return for Regulated Investment Companies, is used to report the income, gains, losses, deductions, credits, and to figure the income tax liability of a regulated investment company as defined in section 851.

Who Must File

A domestic corporation that elects to be treated as a regulated investment company (RIC) for the tax year (or has made an election for a prior tax year) and meets the requirements listed below must file Form 1120-RIC. The election is made by computing taxable income as a RIC on Form 1120-RIC.

A corporation that elects to be treated as a RIC must be a domestic corporation that:

- Is registered with the Securities and Exchange Commission throughout the tax year as a management company or unit investment trust under the Investment Company Act of 1940 (the "Act");
- Has an election in effect under the Act to be treated as a business development company; or
- Is a common trust fund or similar fund that is neither an investment company under section 3(c)(3) of the Act nor a common trust fund as defined under section 584(a).

In addition, the corporation must meet all 6 of the following requirements in order to qualify as a RIC:

1. At least 90% of its gross income (including tax-exempt interest income) must be derived from:
 - Dividends;
 - Interest;
 - Payments with respect to securities loans (as defined in section 512(a)(5));
 - Gains from the sale or other disposition of stock or securities (as defined in Act section 21(a)(30)) or foreign currencies; or
 - Other income (including gains from options, futures, or forward contracts) derived from the company's business of investing in stock, securities, or currencies.

Income from a partnership or trust qualifies under the 90% test to the extent the company's distributive share of such income is from items described above as realized by the partnership or trust.

Income that a RIC receives in the normal course of business as a reimbursement from its investment advisor is qualifying income for purposes of the 90% test if the reimbursement is includable in the RIC's gross income.

2. Less than 30% of its gross income must be derived from the sale or disposition of any of the following that were held for less than 3 months:

- Stock or securities (as defined in Act section 21(a)(30));
- Options, futures, or forward contracts (other than options, futures, or forward contracts on foreign currencies); or
- Foreign currencies (or options, futures, or forward contracts on foreign currencies) but only if such currencies (or options, futures, or forward contracts) are not directly related to the company's principal business of investing in stock or securities (or options and futures on stocks or securities).

However, a fund (defined below) will not be disqualified for failing to meet the 30% test because of sales resulting from abnormal

redemptions on any day and occurring before the close of the 5th business day after such day if: (1) the sum of the percentages determined under section 851(h)(3)(B) for abnormal redemptions on that day and on prior days during the tax year exceeds 30%, and (2) the RIC would meet the 30% test for the tax year if all of the funds which are a part of the RIC were treated as a single RIC.

3. At the close of each quarter of the company's tax year, at least 50% of the value of its assets must be invested in:

- Cash and cash items (including receivables);
- Government securities;
- Securities of other RICs; and
- Securities of other issuers, except that the investment in a single issuer of securities may not exceed 5% of the value of the company's assets or 10% of the outstanding voting securities of the issuer (except as provided in section 851(e)). See sections 851(b)(4) and 851(c).

4. At the close of each quarter of the company's tax year, no more than 25% of the value of the company's assets may be invested in the securities (excluding government securities or securities of other RICs) of a single issuer or in the securities of two or more issuers controlled by the RIC and engaged in the same or related trades or businesses. See sections 851(b)(4) and 851(c).

5. The company's deduction for dividends paid for the tax year (as defined in section 561, but without regard to capital gain dividends) equals or exceeds the sum of:

- 90% of its investment company taxable income determined without regard to section 852(b)(2)(D); and
- 90% of the excess of the company's interest income excludable from gross income under section 103(a) over its deductions disallowed under sections 265 and 171(a)(2).

6. The company must have been a RIC for all tax years ending after November 7, 1983, or, at the end of the current tax year, the company had no accumulated earnings and profits from a tax year that it did not qualify as a RIC.

See sections 851 and 852 for details.

If a RIC has more than one fund (defined below), each fund is treated as a separate corporation for purposes of the Internal Revenue Code (except for the definitional requirement of a RIC, in the second paragraph under "Who Must File.")

Definition of a Fund

A fund is a separate portfolio of assets, whose beneficial interests are owned by the holders of a class or series of stock that is preferred over all other classes or series for that portfolio of assets.

Note: As used in these instructions and Form 1120-RIC, the term "fund" refers to the above definition and to any RIC that does not have more than one portfolio of assets.

When To File

Generally, the fund must file its income tax return by the 15th day of the 3rd month after the end of the tax year. A new fund filing a short period return must generally file by the 15th day of the 3rd month after the short period ends. A fund that has dissolved must generally file by the 15th day of the 3rd month after the date of dissolution.

Extension—File Form 7004. Application for Automatic Extension of Time To File Corporation Income Tax Return, to request a 6-month extension of time to file.

Where To File

File the tax return at the applicable IRS address listed below.

If the fund's principal business, office, or agency is located in	Use the following Internal Revenue Service Center address
New Jersey, New York (New York City and counties of Nassau, Rockland, Suffolk, and Westchester)	Holtzville, NY 00501
New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	Andover, MA 05501
Florida, Georgia, South Carolina	Atlanta, GA 39901
Indiana, Kentucky, Michigan, Ohio, West Virginia	Cincinnati, OH 45999
Kansas, New Mexico, Oklahoma, Texas	Austin, TX 73301
Alaska, Arizona, California (counties of Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba), Colorado, Idaho, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming	Ogden, UT 84201
California (all other counties), Hawaii	Fresno, CA 93888
Illinois, Iowa, Minnesota, Missouri, Wisconsin	Kansas City, MO 64999
Alabama, Arkansas, Louisiana, Mississippi, North Carolina, Tennessee	Memphis, TN 37501
Delaware, District of Columbia, Maryland, Pennsylvania, Virginia	Philadelphia, PA 19255

Who Must Sign

The return must be signed and dated by the president, vice president, treasurer, treasurer, chief accounting officer, or any

other officer (such as tax officer) authorized to sign. Receivers, trustees, or assignees must also sign and date any return filed on behalf of a fund.

Note: If this return is being filed for a series fund (as discussed in section 851(h)(2)), the return may be signed by any officer authorized to sign for the RIC in which the fund is a series.

If a corporate officer completes Form 1120-RIC, the Paid Preparer's space should remain blank. Anyone who prepares Form 1120-RIC but does not charge the fund should not sign the return. Generally, anyone who is paid to prepare the return must sign it and fill in the Paid Preparer's Use Only area.

The paid preparer must complete the required preparer information and:

- Sign the return, by hand, in the space provided for the preparer's signature (signature stamps and labels are not acceptable);
- Give a copy of the return to the taxpayer.

Accounting Methods

Taxable income must be computed using the method of accounting regularly used in keeping the fund's books and records. Generally, permissible methods include the cash, accrual, or any other method authorized by the Internal Revenue Code. In all cases, the method used must clearly reflect taxable income.

Generally, a fund must use the accrual method of accounting if its average annual gross receipts exceed \$5 million. See section 448(c).

Under the accrual method, an amount is includable in income when all the events have occurred that fix the right to receive the income and the amount can be determined with reasonable accuracy. See Regulations section 1.451-1(a) for details.

Generally, an accrual basis taxpayer can deduct accrued expenses in the tax year in which all events that determine the liability have occurred, the amount of the liability can be figured with reasonable accuracy, and economic performance takes place with respect to the expense. There are exceptions for recurring items. See section 461(h) and the related regulations for more information.

Generally, the fund may change the method of accounting used to report taxable income (for income as a whole or for any material item) only by getting consent on Form 3115, Application for Change in Accounting Method. Also see Pub. 538, Accounting Periods and Methods.

Change in Accounting Period

Generally, before changing an accounting period, the Commissioner's approval must be obtained (Regulations section 1.442-1) by filing Form 1128, Application To Adopt, Change, or Retain a Tax Year. Also see Pub. 538.

Rounding Off to Whole Dollars

The fund may show amounts on the return and accompanying schedules as whole dollars. To do so, drop any amount less than 50 cents and increase any amount from 50 cents through 99 cents to the next higher dollar.

Recordkeeping

The fund's records should be kept for as long as they may be needed for the administration

of any provision of the Internal Revenue Code. Usually, records that support an item of income, deduction, or credit on the return must be kept for 3 years from the date the return is due or filed, whichever is later. Keep records that verify the fund's basis in property for as long as they are needed to figure the basis of the original or replacement property.

The fund should also keep copies of any returns it has filed. They help in preparing future returns and in making computations when filing an amended return.

Depository Method of Tax Payment

The fund must pay the tax due in full no later than the 15th day of the 3rd month after the end of the tax year. Deposit fund income tax payments (and estimated tax payments with Form 8109, Federal Tax Deposit Coupon. Do not send deposits directly to an IRS office. Mail or deliver the completed Form 8109 with the payment to a qualified depository for Federal taxes or to the Federal Reserve Bank (FRB) servicing the fund's geographic area. Make checks or money orders payable to that depository or FRB.

To help ensure proper crediting, write the fund's employer identification number, the tax period to which the deposit applies and "Form 1120-RIC" on the check or money order. Be sure to darken the "1120" box on the coupon. These records of deposits will be sent to the IRS.

A penalty may be imposed if the deposits are mailed or delivered to an IRS office rather than to an authorized depository or FRB.

For more information on deposits, see the instructions in the coupon booklet (Form 8109) and Pub. 583, Taxpayers Starting a Business.

Caution: If the fund owes tax when it files Form 1120-RIC, do not include the payment with the tax return. Instead, mail or deliver the payment with Form 8109 to a qualified depository or FRB.

Estimated Tax Payments

Generally, a fund must make installment payments of estimated tax if it expects its estimated tax to be \$500 or more. For a calendar or fiscal year corporation, the installments are due by the 15th day of the 4th, 6th, 9th, and 12th months of the tax year. If any date falls on a Saturday, Sunday, or legal holiday, the installment is due on the next regular workday. For estimated tax purposes, the estimated tax of the fund is defined as its alternative minimum tax less the credit for Federal tax paid on fuels. Use the deposit coupons (Forms 8109) to make deposits of estimated tax. For more information on estimated tax payments, including penalties that apply if the fund fails to make required payments, see the instructions for line 29 on page 6.

If the fund overpaid estimated tax, it may be able to get a "quick refund" by filing Form 4466, Corporation Application for Quick Refund of Overpayment of Estimated Tax. The overpayment must be at least 10% of the expected income tax liability and at least \$500. To apply for a quick refund, file Form 4466 before the 15th day of the 3rd month after the end of the tax year, but before the corporation files its income tax return. Do not file Form 4466 before the end of the fund's tax year.

Interest and Penalties

Interest.—Interest is charged on taxes not paid by the due date even if an extension of time to file is granted. Interest is also added on penalties imposed for failure to file, negligence, fraud, gross valuation overstatements, and substantial understatement of tax from the due date (including extensions) to the date of payment. The interest charge is figured at a rate determined under section 6621.

Late filing of return.—A fund that does not file its tax return by the due date, including extensions, may have to pay a penalty of 5% of the unpaid tax for each month or part of a month the return is late, up to a maximum of 25% of the unpaid tax. The minimum penalty for a return that is more than 60 days late is the smaller of the tax due or \$100. The penalty will not be imposed if the fund can show that the failure to file on time was due to reasonable cause. Funds that file late must attach a statement explaining the reasonable cause.

Late payment of tax.—A fund that does not pay the tax when due may have to pay a penalty of 1/2 of 1% of the unpaid tax for each month or part of a month the tax is not paid, up to a maximum of 25% of the unpaid tax. This penalty may also apply to any additional tax not paid within 10 days of the date of the notice and demand for payment. The penalty will not be imposed if the fund can show that the failure to pay on time was due to reasonable cause.

Other penalties.—Other penalties can be imposed for negligence, substantial understatement of tax, and fraud. See sections 6662 and 6663.

Unresolved Tax Problems

The IRS has a Problem Resolution Program for taxpayers who have been unable to resolve their problems with the IRS. If the fund has a tax problem it has been unable to resolve through normal channels, write to the fund's local IRS district director or call the fund's local IRS office and ask for Problem Resolution Assistance. Hearing-impaired persons who have access to TDD equipment may call 1-800-829-4059 to ask for help. The Problem Resolution office will ensure that the problem receives proper attention. Although the office cannot change the tax law or make technical decisions, it can help clear up problems that resulted from previous contacts.

Other Forms, Returns, Schedules, and Statements That May Be Required

Forms
The fund may have to file any of the following:
Form W-2, Wage and Tax Statement; and **Form W-3, Transmittal of Income and Tax Statements.**

Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation, Foreign Estate or Trust, or Foreign Partnership. Use this form to report transfers of property to a foreign corporation, foreign estate or trust, foreign partnership, and to pay any excise tax due under section 1491. On the day of the transfer, file Form 926 with the Service Center where the fund is required to file its income tax return.

Also use Form 926 to report information required under section 6038B. A fund that transfers property to a foreign corporation in an exchange described in section 367(a) or (d), or that makes an election to apply principles similar to the principles of section 367 to any transfer covered by the excise tax, must file Form 926 and attach the information required by Regulations sections 1.6038B-1T. If section 6038B applies, file Form 926 and the required information with the fund's income tax return for the tax year that includes the transfer date.

Form 966, Corporate Dissolution or Liquidation.
Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons; and **Form 1042S, Foreign Person's U.S. Source Income Subject to Withholding.** Use these forms to report and transmit withheld tax on payments or distributions made to nonresident alien individuals, foreign partnerships, or foreign corporations to the extent payments or distributions constitute gross income from sources within the U.S. (see sections 861 through 865). For more information, see sections 1441 and 1442, and Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations.

Form 1096, Annual Summary and Transmittal of U.S. Information Returns.
Form 1098, Mortgage Interest Statement. This form is used to report the receipt from any individual of \$600 or more of mortgage interest and points in the course of the recipient's trade or business for any calendar year.

Forms 1099-A, B, DIV, INT, MISC, OID, PATR, R, and S. These information returns are for reporting abandonments, acquisitions through foreclosure, proceeds from broker and barter exchange transactions, certain dividends and distributions, interest payments, medical and dental health care payments, miscellaneous income payments, nonemployee compensation, original issue discount, patronage dividends, distributions from profit-sharing plans, retirement plans, individual retirement arrangements, insurance contracts, etc., and proceeds from real estate transactions. Also use these returns to report amounts that were received as a nominee on behalf of another person.

For more information, see the instructions for Form 1099 and Pub. 937, Employment Taxes and Information Returns.

Note: Every fund must file Forms 1099-MISC if, in the course of its trade or business, it makes payments of rents, commissions, or other fixed or determinable income (see section 6041) totaling \$600 or more to any one person during the calendar year.

Form 2438, Regulated Investment Company Undistributed Capital Gains Tax Return. If the fund designates undistributed capital gains under section 852(b)(3)(D), it must file this return and pay tax on the gains so designated within 30 days after the end of the fund's tax year. In addition, a copy of Form 2438 (with Copy A of all Forms 2439) must be attached to Form 1120-RIC when filed.

Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains. If the fund filed Form 2438, it must complete Form 2439 for each shareholder for whom it paid tax on undistributed capital gains designated under section 852(b)(3)(D) and furnish a copy

to each such shareholder within 60 days after the end of the fund's tax year.

Form 5452, Corporate Report of Nondividend Distributions.

Form 5498, Individual Retirement Arrangement Information. Use this form to report contributions (including rollover contributions) to an individual retirement arrangement (IRA) and the value of an IRA or simplified employee pension (SEP) account.
Form 5713, International Boycott Report, for persons having operations in or related to "boycotting" countries. Also, persons who participate in or cooperate with an international boycott may have to complete Schedule A or Schedule B and Schedule C of Form 5713 to compute their loss of the following items: the foreign tax credit, the deferral of earnings of a controlled foreign corporation, IC-DISC benefits, and FSC benefits.

Form 8275, Disclosure Statement. Form 8275 is used by taxpayers and income tax return preparers to disclose items or positions, except those contrary to a regulation (see Form 8275-R, below), that are not otherwise adequately disclosed on a tax return. The disclosure is made to avoid parts of the accuracy-related penalty imposed for negligence, disregard of rules, or substantial understatement of tax. Form 8275 is also used for disclosures relating to preparer penalties for understatements due to unrealistic positions or for willful or reckless conduct.

Form 8275-R, Regulation Disclosure Statement, is used to disclose any item on a tax return for which a position has been taken that is contrary to Treasury regulations.

Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments. This form is generally required to be filed by issuers of public offerings of debt instruments within 30 days of the issuance of the debt instrument.

Form 8300, Report of Cash Payments Over \$10,000 Received in a Trade or Business. Generally, this form is used to report the receipt of more than \$10,000 in cash or foreign currency in one transaction or a series of related transactions.

After February 2, 1992, cashier's checks, bank drafts, and money orders with face amounts of \$10,000 or less are considered cash under certain circumstances. For more information, see Form 8300 and Regulations section 1.60501-1(c).

Form 9813, Return of Excise Tax on Undistributed Income of Regulated Investment Companies. If the fund is liable for the 4% excise tax on undistributed income under section 4982 or makes an election under section 4982(e)(4), it must file this return for the calendar year.

Form 9621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. A fund that was a shareholder in a passive foreign investment company (as defined in section 1296) at any time during the tax year must complete and attach this form to its return.

Statements
Stock ownership in foreign corporations.—Attach the statement required by section 551(c) if (a) the fund owned 5% or more in value of the outstanding stock of a foreign personal holding company, and (b) the fund

was required to include in its gross income any undistributed foreign personal holding company income from a foreign personal holding company.

A fund may have to file Form 5471, Information Return of U.S. Persons With Respect to Certain Foreign Corporations, if any of the following applies:

1. It controls a foreign corporation.
 2. It acquires, disposes of, or owns 5% or more in value of the outstanding stock of a foreign corporation.
 3. It is a 10% or more shareholder of a foreign personal holding company.
 4. It owns stock in a controlled foreign corporation for an uninterrupted period of 30 days or more during the tax year of the foreign corporation that ends with or within its tax year, and it owned that stock on the last day of the foreign corporation's tax year.
- Foreign ownership in a domestic corporation.**—A fund that is 25% or more foreign-owned may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. See page 8 for more information.

Transfers to a corporation controlled by the transferor.—If the fund receives stock of a corporation in exchange for property, and no gain or loss is recognized under section 351, the fund (transferor) and the transferee must each attach to their tax returns the information required by Regulations section 1.351-3.

Election under Temporary Regulations section 1.67-2T(j)(2).—Generally, shareholders in a nonpublicly offered fund that are individuals or pass-through entities are treated as having received a dividend in an amount equal to the shareholder's allocable share of affected RIC expenses for the calendar year and as having paid or incurred an expense described in section 212 (and subject to the 2% limitation on miscellaneous itemized deductions) in the same amount for the calendar year. A nonpublicly offered fund may elect to treat its affected RIC expenses for a calendar year as equal to 40% of the amount determined under Temporary Regulations section 1.67-2T(j)(1)(i) for that calendar year. To make this election, attach to Form 1120-RIC for the tax year that includes the last day of the calendar year for which the fund makes the election, a statement that it is making an election under paragraph (j)(2) of Temporary Regulations section 1.67-2T. Once made, the election remains in effect for all subsequent calendar years and may not be revoked without IRS consent. See Temporary Regulations section 1.67-2T for definitions and other details.

Attachments
Attach Form 4136, Credit for Federal Tax Paid on Fuels, after page 4. Form 1120-RIC. Attach schedules in alphabetical order and other forms in numerical order after Form 4136.

To assist us in processing the return, complete every applicable entry space on Form 1120-RIC. Do not write "See attached" instead of completing the entry spaces. If more space is needed on the forms or schedules, attach separate sheets and show the same information in the same order as on the printed forms. Show the fund's totals on

the printed forms. Use sheets that are the same size as the forms and schedules. Attach these separate sheets after all the schedules and forms. Be sure to put the fund's name and EIN on each sheet.

Specific Instructions

Period covered.—File the 1992 return for calendar year 1992 and fiscal years that begin in 1992 and end in 1993. For a fiscal year, fill in the tax year space at the top of the form.

Note: The 1992 Form 1120-RIC may also be used if: (1) the fund has a tax year of less than 12 months that begins and ends in 1993, and (2) the 1993 Form 1120-RIC is not available by the time the fund is required to file its return. However, the fund must show its 1993 tax year on the 1992 Form 1120-RIC and incorporate any tax law changes that are effective for tax years beginning after December 31, 1992.

Address.—Include the suite, room, or other unit number after the street address. If the Post Office does not deliver mail to the street address and the RIC has a P.O. box, show the box number instead of the street address.

Note: If a change in address occurs after the return is filed, the fund should use Form 6222, Change of Address, to notify the IRS of the new address.

Item B, Date fund was established.—If this return is being filed for a series fund (as described in section 851(h)(2)), enter the date the fund was created. Otherwise, enter the date the RIC was incorporated or organized.

Item C, Employer identification number.—Enter the fund's employer identification number (EIN) in item C on page 1 of Form 1120-RIC. If the fund does not have an EIN, it should apply for one on Form SS-4. Application for Employer Identification Number, Form SS-4 may be obtained at most IRS or Social Security Administration (SSA) offices. If the fund has not received its EIN by the time the return is due, write "Applied for" in the space for the EIN. See Pub. 583 for more information.

Item D, Total assets.—Enter the fund's total assets (as determined by the accounting method regularly used in keeping the fund's books and records) at the end of the tax year. If there are no assets at the end of the tax year, enter the total assets as of the beginning of the tax year.

Item E, Final return, change in address, or amended return.—If the fund ceases to exist, file Form 1120-RIC and check the "Final return" box. If the fund has changed its address since it last filed a return, check the box for "Change in address." If the fund is amending its return, check the box for "Amended return."

Part I—Investment Company Taxable Income

Line 1, Dividends.—A fund that is the holder of record of any share of stock on the record date for a dividend payable on that stock must include the dividend in gross income by the later of: (a) the date the share became an ex-dividend, or (b) the date the company acquired the share.

Line 2, Interest.—Enter taxable interest on the fund's obligations and on loans, notes, or

mortgages, bonds, bank deposits, corporate bonds, tax refunds, etc.

Do not offset interest expense against interest income.

Line 3, Net foreign currency gain or (loss) from section 988 transactions.—Enter the net foreign currency gain or (loss) from section 988 transactions that is treated as ordinary income or loss under section 988(a)(1)(A). Attach a schedule detailing each separate transaction.

Line 4, Payments with respect to securities loans.—Enter the amount received or accrued from a broker as compensation for securities loaned by the fund to the broker for use in completing market transactions. The payments must meet the requirements of section 512(a)(5).

Line 5, Excess of net short-term capital gain over net long-term capital loss.—Enter the excess of net short-term capital gain over net long-term capital loss from Schedule D (Form 1120), line 11.

Note: Every sale or exchange of a capital asset must be reported in detail on Schedule D (Form 1120), even though no gain or loss is indicated.

Line 7, Other Income.—Enter any other taxable income not reported on lines 1 through 6, except net capital gain which must be reported in Part II. List the type and amount of income on an attached schedule. If the RIC has only one item of other income, describe it in parentheses on line 7.

Examples of other income to report on line 7 are:

- Any adjustment under section 481(a) required to be included in income during the current tax year due to a change in method of accounting;
- Gross rents;
- Recoveries of fees or expenses in settlement or litigation;
- The amount of credit for alcohol used as fuel (determined without regard to the limitation based on tax) that was entered on Form 6478, Credit for Alcohol Used as Fuel; and
- Refunds of taxes deducted in prior years to the extent they reduced income subject to tax in the year deducted (see section 111). Do not offset current year taxes against tax refunds.

Deductions

Limitations on deductions
Transactions between related taxpayers. Generally, an accrual basis taxpayer may only deduct business expenses and interest owed to a related party in the year the payment is included in the income of the related party. See sections 163(e)(3), 163(j), and 267 for limitations on deductions for unpaid interest and expenses.

Direct and indirect costs (including taxes) allocable to real or tangible personal property constructed or improved by the taxpayer. Such costs must be capitalized in accordance with section 263A.

Golden parachute payments. A portion of the payments made by a fund to key personnel that exceeds their usual compensation may not be deductible. This occurs when the fund has an agreement (golden parachute) with these key employees to pay them these excessive amounts if

control of the corporation changes. See section 280G.

Business startup expenses. Business startup expenses are required to be capitalized unless an election is made to amortize them over a period of 60 months. See section 195.

Section 265(a)(3) limitation. If the fund paid exempt-interest dividends during the tax year (including those dividends deemed paid under section 855), no deduction is allowed for that portion of otherwise deductible expenses which the amount of tax-exempt interest income bears to total gross income (including tax-exempt income but excluding capital gain net income).

Net operating loss deduction. The net operating loss deduction is not allowed.

Passive activity limitations. Limitations on passive activity losses and credits under section 469 apply to funds that are closely held (as defined in section 469(j)(1)). Funds subject to the passive activity limitations must complete Form 8810, Corporate Passive Activity Loss and Credit Limitations, to compute their allowable passive activity loss and credit.

Line 9. Compensation of officers.—Enter any officers' compensation on line 9. Before entering an amount on line 9, complete Schedule E on page 2 of Form 1120-RIC if total receipts (line 8, Part I, plus net capital gain from line 1, Part II, and line 9a, Form 243B) are \$500,000 or more. Do not include compensation deductible elsewhere on the return, such as elective contributions to a section 401(k) cash or deferred arrangement, or amounts contributed under a salary reduction SEP agreement.

Complete Schedule E, columns (a) through (e), for all officers. The RIC determines who is an officer under the laws of the state where incorporated.

Line 10. Salaries and wages.—Enter the amount of total salaries and wages paid or incurred for the tax year. Do not include salaries and wages deductible elsewhere on the return, such as elective contributions to a section 401(k) cash or deferred arrangement or amounts contributed under a salary reduction SEP agreement.

Caution: If the fund provided taxable fringe benefits to its employees, such as personal use of a car, do not deduct as wages the amount allocated for depreciation and other expenses claimed on lines 14 and 22.

Enter on line 10b the jobs credit from Form 5884, Jobs Credit.

Line 12. Taxes.—Enter taxes paid or accrued during the tax year, but do not include the following:

- Federal income taxes;
- Foreign or U.S. possession income taxes if a tax credit is claimed or the fund made an election under section 853;
- Excise taxes imposed under section 4982 on undistributed RIC income;
- Taxes not imposed on the fund;
- Taxes, including state or local sales taxes, that are paid or incurred in connection with an acquisition or disposition of property (these taxes must be treated as a part of the cost of the acquired property or, in the case of a disposition, as a reduction in the amount realized on the disposition);

- Taxes assessed against local benefits that increase the value of the property assessed (such as for paving, etc.); or
- Taxes deducted elsewhere on the return.

See section 164(d) for apportionment of taxes on real property between seller and purchaser.

Line 13. Interest.—If the proceeds of a loan were used for more than one purpose (e.g., to purchase a portfolio investment and to acquire an interest in a passive activity), an interest allocation must be made. See Temporary Regulations section 1.163-8T for the interest allocation rules.

Do not include interest on indebtedness incurred or continued to purchase or carry obligations if the interest is wholly exempt from income tax. For exceptions, see section 265(b).

Generally, a cash basis taxpayer cannot deduct prepaid interest allocable to years following the current tax year. For example, a cash basis calendar year taxpayer who in 1992 prepaid interest allocable to any period after 1992 can deduct only the amount allocable to 1992.

Generally, the interest and carrying charges on straddles cannot be deducted and must be capitalized. See section 263(g).

See section 163(n)(5) for special rules for the disqualified portion of original issue discount on a high yield discount obligation.

Certain interest paid or accrued by the fund (directly or indirectly) to a related person may be limited if no tax is imposed on that interest. See section 163(j) for more information.

Line 14. Depreciation.—Besides depreciation, include on line 14 the part of the cost (up to \$10,000) that the fund elected to expense for certain tangible property placed in service during tax year 1992 or carried over from 1991. See Form 4562, Depreciation and Amortization, and its instructions.

Line 22. Other deductions.—Attach a separate sheet listing all allowable deductions that are not deductible elsewhere on Form 1120-RIC. Enter the total on this line.

Include on this line charitable contributions deductible under section 170, and amortization of organization expenses.

If the fund contributes property other than cash and the deduction claimed for the property exceeds \$500, attach a schedule to the return describing the kind of property contributed and the method used to determine its fair market value. Closely held funds must complete Form 8263, Noncash Charitable Contributions, and attach it to their returns. All other funds generally must complete and attach Form 8283 to their returns for contributions of property other than money if the total claimed deduction for all property contributed was more than \$5,000.

Also include on line 22 the deduction for contributions to pension, profit-sharing, or other funded deferred compensation plans. Employers who maintain such a plan generally must file one of the forms listed below, even if the plan is not a "qualified" plan under the Internal Revenue Code. The filing requirement applies even if the fund does not claim a deduction for the current tax year. There are penalties for failure to file these forms on time and for overstating the

pension plan deduction. See sections 6652(e) and 6662(f).

Form 5500.—Complete this form for each plan with 100 or more participants.

Form 5500-C/R.—Complete this form for each plan with fewer than 100 participants

Form 5500EZ.—Complete this form for a one-participant plan. The term "one-participant plan" also means a plan that covers the owner and his or her spouse or a plan that covers partners in a business partnership (or the partners and their spouses).

Generally, a deduction may not be taken for any amount that is allocable to a class of exempt income. See section 265(b) for exceptions.

Generally, the fund can deduct only 80% of the amount otherwise allowable for meals and entertainment expenses. Also, meals must not be lavish or extravagant; a bona fide business discussion must occur during, immediately before, or immediately after the meal; and an employee of the fund must be present at the meal. See section 274(k)(2) for exceptions. If the fund claims a deduction for unallowable meal expenses, it may have to pay a penalty.

Additional limitations apply to deductions for gifts, skybox rentals, luxury water travel, convention expenses, and entertainment tickets. For details, see section 274 and Pub. 463, Travel, Entertainment, and Gift Expenses.

Generally, a fund can deduct all other ordinary and necessary travel expenses paid or incurred in its trade or business. However, it cannot deduct an expense paid or incurred for a facility (such as a yacht or hunting lodge) that is used for an activity that is usually considered entertainment, amusement, or recreation.

Note: The fund may be able to deduct the expense if the amount is treated as compensation and reported on Form W-2 for an employee or on Form 1099-MISC for an independent contractor.

Note: Do not deduct penalties imposed on the fund such as those listed under Interest and Penalties on page 3.

Line 24. Taxable income before deduction for dividends paid.—Special at-risk rules under section 465 generally apply to closely held funds engaged in any activity as a trade or business or for the production of income. These funds may have to adjust the amount on line 24. But the at-risk rules do not apply to the following:

- Holding real property placed in service by the fund before 1987;
- Equipment leasing under sections 465(c)(4), (5), and (6); and
- Any qualifying business of a qualified corporation under section 465(c)(7).

However, the at-risk rules do apply to the holding of mineral property. For more information, see section 465 and Form 6198, At-Risk Limitations.

Tax and Payments

Line 28b. Estimated tax payments.—Enter any estimated tax payments the fund made for the tax year.

Line 28c.—Add the amounts on lines 28d through 28g and enter the total on line 28h.

Backup withholding.—If the fund had income tax withheld from any payments it

received, because, for example, it failed to give the payer its correct employer identification number, include the amount withheld in the total for line 28h. This type of withholding is called "backup withholding." Show the amount withheld in the blank space in the right hand column between lines 27 and 28h, and label the amount "backup withholding."

Line 29. Estimated tax penalty.—A fund that does not make estimated tax payments when due may be subject to an underpayment penalty for the period of underpayment.

Generally, a fund is subject to the penalty if its tax liability is \$500 or more, and it did not timely pay the smaller of (a) 93% of its alternative minimum tax minus the credit for Federal tax paid on fuels as shown on the return (97% of this amount for a tax year beginning after June 30, 1992), or (b) 100% of its prior year's tax (computed in the same manner). See section 6655 for details and exceptions, including special rules for large corporations.

Form 2220, Underpayment of Estimated Tax by Corporations. is used to determine if the fund owes a penalty and to figure the amount of the penalty. Generally, the fund does not have to file this form because the IRS can figure the amount of any penalty and bill the fund for it. However, the fund must complete and attach Form 2220 even if the fund does not owe the penalty if:

- The annualized income or adjusted seasonal installment method is used, or
- The fund is a "large corporation" computing its first required installment based on the prior year's tax. (See the instructions for Form 2220 for the definition of a "large corporation.")

If Form 2220 is attached, check the box on line 29, part 1, Form 1120-RIC, and enter the amount of any penalty on this line.

Part II—Tax on Undistributed Net Capital Gain Not Designated Under Section 852(b)(3)(D)

Line 1. Net capital gain.—Enter the net capital gain from Schedule D (Form 1120), line 12.

Line 2. Capital gain dividends.—Enter the amount from Schedule A, line 6b. This is the deduction for dividends paid determined with reference to capital gain dividends only, as designated by the fund in accordance with section 852(b)(3)(C). Do not include any amount reported for the tax year on Form 2438, line 9b.

Tax on Certain Built-In Gains

The IRS expects to issue regulations under section 337(d) that will impose a tax on the net built-in gain of C corporation assets in connection with:

1. The qualification of a corporation to be taxed as a RIC, or
2. The transfer of the assets to a RIC in a carryover basis transaction.

Generally, the net built-in gain equals the excess of total gains over total losses that would have been realized if the corporation had sold all of its assets at their respective fair market values on the relevant date described below and immediately liquidated. Unless the corporation makes the election

described below, the gain must be recognized by the corporation as of: (a) the last day of the tax year immediately preceding the year in which it qualified as a RIC, in the case of (a) above; or (b) the day before the date of the transfer of assets, in the case of 2 above.

Election.—The regulations will allow the RIC to elect to pay the tax on any built-in gains recognized within a 10-year period on the assets held by the corporation before it was taxed as a RIC or before it transferred the assets in a carryover basis transaction to the RIC. The built-in gains of an electing RIC and the tax imposed on the gains will be subject to rules similar to the rules relating to net income from foreclosure property under section 857.

In the case of a corporation qualifying to be taxed as a RIC, the regulations generally will apply to tax years beginning after June 9, 1987. However, the regulations will not apply to any corporation that was taxed as a RIC for its tax year that included June 9, 1987. In addition, a previously qualifying RIC that fails to meet the qualifications to be taxed as a RIC for a single tax year generally will not be required to recognize net built-in gain under the regulations upon requalification as a RIC. For carryover basis transactions, the regulations will generally apply to transactions occurring after June 9, 1987. For more information, see Notice 88-19, 1988-1 C.B. 486, and Notice 88-96, 1988-2 C.B. 420.

Note: Details on how to compute and report this tax on Form 1120-RIC (if the fund makes the election described above) will be announced by the IRS after publication of the regulations under section 337(d). If the fund is not a RIC, the fund should not include the built-in gains tax on Form 1120-RIC at the time of original filing. Rather, the tax should be reported on an amended Form 1120-RIC filed after the announcement is issued by the IRS.

Schedule A

Deductions for Dividends Paid

Columns (a) and (b).—Column (a) is used to determine the deduction for dividends paid resulting from ordinary dividends. Column (b) is used to determine the deduction for dividends paid resulting from capital gain dividends. Section 561 (taking into account sections 852(b)(7) and 855(a)) determines the deduction for dividends paid. Do not take into account exempt-interest dividends defined in section 852(b)(5). See Regulations section 1.852-11.

Line 3.—Dividends, both ordinary and capital gain, declared and payable to shareholders of record in October, November, or December are treated as paid by the fund and received by each shareholder on December 31 of that calendar year provided that they are actually paid in January of the following calendar year. Enter on line 3 all such dividends not already on line 1 or 2.

Line 5.—Enter the foreign tax paid deduction allowed as an addition to the dividends paid deduction under section 853(b)(1)(B). See the instructions for Schedule K, line 12, on page 8 for more details.

Schedule B

Income From Tax-Exempt Obligations

If, at the close of each quarter of the tax year, at least 50% of the value of the fund's assets consisted of tax-exempt obligations under section 103(a), the fund qualifies under section 852(b)(5) to pay exempt-interest dividends for the tax year. Check the "Yes" box on line 1 of Schedule B and complete lines 2 through 5. See section 852(b)(5) for the definition of exempt-interest dividends and other details.

Schedule J

Tax Computation

Lines 1 and 2

Members of a controlled group.—A member of a controlled group, as defined in section 1563, must check the box on line 1 and complete lines 2(a) and 2(a)(i) of Schedule J. See the worksheet on page 8 of the instructions.

Members of a controlled group are entitled to one \$50,000 and one \$25,000 taxable income bracket amount (in that order) on line 2a.

When a controlled group adopts or later amends an apportionment plan, each member must attach to its tax return a copy of its consent to this plan. The copy (or an attached statement) must show the part of the amount in each taxable income bracket apportioned to that member. There are other requirements as well. See Regulations section 1.1561-3(b) for the requirements and for the time and manner of making the consent.

Equal apportionment plan. If no apportionment plan is adopted, the members of the controlled group must divide the amount in each taxable income bracket equally among themselves. For example, Controlled Group AB consists of Corporation A and Corporation B. They do not elect an apportionment plan. Therefore, both Corporation A and Corporation B are entitled to \$25,000 (one-half of \$50,000) in the \$50,000 taxable income bracket on line 2(a) and to \$12,500 (one-half of \$25,000) in the \$25,000 taxable income bracket on line 2(a)(i). **Unequal apportionment plan.** Members of a controlled group may elect an unequal apportionment plan and divide the taxable income brackets as they want. There is no need for consistency between taxable income brackets. Any member of the controlled group may be entitled to all, some, or none of the taxable income brackets. However, the total amount for all members of the controlled group cannot be more than the total amount in each taxable income bracket.

Additional 5% tax. Members of a controlled group are treated as one corporation for purposes of figuring the applicability of the additional 5% tax that must be paid by corporations with taxable income in excess of \$100,000. If the additional tax applies, each member of the controlled group will pay that tax based on the part of the amount that is used in each taxable income bracket to compute that member's tax. See section 1561(a). Each member of the group must enter its share of the additional 5% tax on line 2b and attach to its tax return a schedule that shows the taxable income of the entire group as well as how its share of the additional tax was figured.

Line 3a.—The fund must compute the tax on its investment company taxable income as follows:

1. A fund that is not a personal holding company and is in compliance with Regulations section 1.852-6 regarding disclosure of the fund's actual stock ownership (members of a controlled group should see the instructions above for lines 1 and 2) computes its tax as follows:

If the investment company taxable income (line 26, Form 1120-RIC) on page 1 is:

Over—	But not over—	Tax is	Of the amount over—
0	\$50,000	15%	0
\$50,000	75,000	\$7,500 + 25%	\$50,000
75,000	100,000	13,750 + 34%	75,000
100,000	335,000	22,250 + 39%	100,000
335,000	34%	100,000

2. A fund that is a personal holding company or that is not in compliance with Regulations section 1.852-6 is taxed at a flat rate of 34% on its investment company taxable income.

Line 3c. Deferred tax amount of a shareholder in a passive foreign investment company (section 1291).—If the fund was a shareholder in a passive foreign investment company (PFIC), and the fund received an excess distribution or disposed of its investment in the PFIC during the year, it must include the aggregate increases in taxes due under section 1291(c)(2) in the amount to be entered on line 3c, Schedule J. On the dotted line to the left of line 3c, Schedule J, write "Section 1291" and the amount.

Do not include on line 3c any interest due under section 1291(c)(3). Instead, write the amount of interest owed in the bottom margin of page 1, Form 1120-RIC, and label it "Section 1291 interest." For details, see Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund.

Line 4a. Foreign tax credit.—To find out when a fund can take this credit for payment of income tax to a foreign country or U.S. possession, see Form 1118, Foreign Tax Credit—Corporations. The fund may not claim this credit if an election under section 853 was made for the tax year.

Line 4b. General business credit.—Complete this line if the fund can take any of the following credits. If the fund has two or more of these credits, a credit carryforward or carryback (including an ESOP credit), or a passive activity credit, Form 3800, General Business Credit, must also be completed. Enter the amount of the general business credit on line 4b, and check the box for Form 3800. If the fund has only one credit, enter on line 4b, the amount of the credit from the form. Also be sure to check the appropriate box for that form.

Investment credit. This credit was generally repealed for property placed in service after 1985. See Form 3468, Investment Credit, for exceptions.

Jobs credit. The fund may qualify to take this credit if it hired members of special targeted groups during the tax year. See Form 5884, Jobs Credit, for more information.

Note: The fund may not take an expense deduction for the part of the wages or salaries paid or incurred that is equal to the amount of

the jobs credit (determined without regard to the limitation based on the tax (section 38(c))).

Credit for alcohol used as fuel. A fund may be able to take a credit for alcohol used as fuel. Use Form 6478, Credit for Alcohol Used as Fuel, to figure the credit.

Credit for increasing research activities. See Form 6765, Credit for Increasing Research Activities, and section 41.

Low-income housing credit. See Form 8586, Low-Income Housing Credit, and section 42.

Enhanced oil recovery credit. A fund may claim a credit for 15% of its qualified enhanced oil recovery costs. Use Form 8830, Enhanced Oil Recovery Credit, to figure the credit.

Disabled access credit. A fund may be able to take a credit for certain expenditures paid or incurred to assist individuals with disabilities. See Form 8826, Disabled Access Credit, and section 44.

Line 4c. Credit for prior year minimum tax.—To figure the minimum tax credit and any carryforward of that credit, use Form 8827, Credit for Prior Year Minimum Tax—Corporations.

Line 4d. Credit for fuel produced from a nonconventional source.—A credit is allowed for the sale of qualified fuels produced from a nonconventional source. Section 29 contains a definition of qualified fuels, provisions for figuring the credit, and other special rules. Attach a separate schedule to the return showing the computation of the credit, including the amount of the credit in the total for line 4d, Schedule J. Write next to the entry for line 4d the amount of the credit and identify it as "section 29 credit."

Also see Form 8827 if any of the 1991 credit is disallowed solely because of the tentative minimum tax limitation. Also see section 53(d).

Line 6. Personal holding company tax.—A fund is taxed as a personal holding company under section 542 if:

- At least 60% of its adjusted ordinary gross income for the tax year is personal holding company income, and
- At any time during the last half of the tax year more than 50% in value of its outstanding stock is owned, directly or indirectly, by five or fewer individuals.

See section 543(a) for the definition of personal holding company income and section 543(b)(2) for the definition of adjusted ordinary gross income.

To figure this tax, use Schedule PH (Form 1120), U.S. Personal Holding Company (PHC) Tax.

Line 7. Recapture taxes.—**Recapture of investment credit.** If the fund disposed of investment credit property or changed its use before the end of its useful life or recovery period, it may owe a tax. See Form 4255, Recapture of Investment Credit, for details.

Recapture of low-income housing credit. If the fund disposed of property (or there was a reduction in the qualified basis of the property) on which it took the low-income housing credit, it may owe a tax. See Form 8611, Recapture of Low-Income Housing Credit, and section 42(j) for details.

Line 8. Alternative minimum tax.—The RIC may owe the alternative minimum tax if it has

any of the adjustments and tax preference items listed on Form 4626, Alternative Minimum Tax—Corporations. The fund must file Form 4626 if its investment company taxable income (or loss) and retained capital gains not designated under section 852(b)(3)(D) plus adjustments and tax preference items is more than the smaller of:

- \$40,000, or
- The fund's allowable exemption amount (from Form 4626). Get Form 4626 for details.

 Reduce alternative minimum tax by any amount on Form 3800, Schedule A, line 34. On the dotted line to the left of line 8, write "Section 38(c)(2)" and the amount.

Line 9. Total tax.—

Deferred tax and interest on undistributed earnings of a qualified electing fund under section 1294. Complete Form 8621 to determine the RIC's share of tax attributable to the undistributed earnings of a qualified electing fund, or the deferred tax due, if any, as a result of the termination of a section 1294 election. See the instructions for Form 8621 to figure the amount of tax to include in, or subtract from the total on line 9. Form 8621 also explains how to report any interest due under section 1294 on the deferred tax.

Interest on tax deferred under the installment method for certain nondealer installment obligations. If an obligation arising from the disposition of property to which section 453A applies is outstanding at the close of the tax year, the fund must include the interest due under section 453A(c) on line 9, Schedule J, under the dotted line to the left of line 9. Schedule J, "Section 453A(c) interest" and the amount. Attach a schedule showing the computation.

Schedule K

Other Information

The following instructions apply to lines 1 through 13 on page 3, Form 1120-RIC. Answer all of the lines that apply to the fund.

Line 3a. Check the "Yes" box for line 3a if the fund is a subsidiary in a parent-subsidiary controlled group. This applies even if the fund is a subsidiary member of one group and the parent corporation of another.

Note: If the fund is an "excluded member" of a controlled group (see section 1563(b)(2)), it is still considered a member of a controlled group for this purpose.

Parent-subsidiary controlled group.—The term "parent-subsidiary controlled group" means one or more chains of corporations connected through stock ownership (section 1563(a)(1)). Both of the following requirements must be met:

1. 80% of the total combined voting power of all classes of stock entitled to vote or at least 80% of the total value of all classes of stock of each corporation in the group (except the parent) must be owned by one or more of the other corporations in the group.
2. The common parent must own at least 80% of the total combined voting power of all classes of stock entitled to vote or at least 80% of the total value of all classes of stock of at least one of the other corporations in the group.

Stock owned directly by other members of the group is not counted when computing the voting power or value.

See section 1563(d)(1) for the definition of "stock" for purposes of determining stock ownership above.

Line 4. Check the "Yes" box if one foreign person owned at least 25% of (a) the total voting power of all classes of stock of the fund entitled to vote or (b) the total value of all classes of stock of the fund.

Enter on line 4b(1) the percentage owned by the foreign person specified in line 4. On line 4b(2), write the name of the owner's country.

Note: If there is more than one 25%-or-more foreign owner, complete lines 4a and 4b for the foreign person with the highest percentage of ownership.

Foreign person.—The term "foreign person" means:

- A foreign citizen or nonresident alien,
- A foreign partnership,
- A foreign corporation, or
- Any foreign estate or trust within the meaning of section 7701(a)(31).

Owner's country.—For individuals, the term "owner's country" means the country of residence. For all others, it is the country where incorporated, organized, created, or administered.

Requirement to file Form 5472.—If the fund checked "Yes", it may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Generally, a 25% foreign-owned corporation that had a reportable transaction with a foreign or domestic related party during the tax year must file Form 5472. Form 5472 must be filed by the due date of the fund's income tax return (including extensions). Attach Form 5472 to the tax return and file a copy of Form 5472 with the Internal Revenue Service Center, Philadelphia, PA 19255.

If the fund's tax return is not filed when due, Form 5472 must nevertheless be timely filed at the service center where the tax return is due (with a copy to Philadelphia). When the tax return is filed, attach a copy of the previously filed Form 5472.

Penalties for failure to file Form 5472.—If the fund does not file Form 5472 as described above, a \$10,000 penalty applies. The penalty also applies for failure to maintain records as required by Regulations section 1.6038A-3. For details, see Form 5472.

Line 6. **Foreign financial accounts.**—Check the "Yes" box if either 1 or 2, below, applies to the fund. Otherwise, check the "No" box:

1. At any time during the 1992 calendar year the fund had an interest in, or signature or other authority over a bank, securities, or other financial account in a foreign country; and
- The combined value of the accounts was more than \$10,000 at any time during the calendar year; and
- The account was NOT with a U.S. military banking facility operated by a U.S. financial institution.

2. The fund owns more than 50% of the stock in any corporation that would answer "Yes" to item 1 above.

Get Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts, to see if the fund is considered to have an interest in or signature or other authority over a financial account in a foreign country.

If "Yes" is checked for this item, file Form TD F 90-22.1 by June 30, 1993, with the Department of the Treasury at the address shown on the form. Form TD F 90-22.1 is not a tax return, so do not file it with Form 1120-RIC.

Form TD F 90-22.1 may be obtained from an IRS Distribution Center or by calling the toll-free number 1-800-TAX-FORM (1-800-829-3676).

Also, if "Yes" is checked for this line, write the name of the foreign country. Attach a separate sheet if more space is needed.

Line 10. In the space provided, show any tax-exempt interest received or accrued. Include any exempt-interest dividends received as a shareholder in another mutual fund or other regulated investment company.

Line 12. A fund may make an irrevocable election under section 853(a) to allow its shareholders to apply their shares of the foreign taxes paid by the fund either as a credit or a deduction. If the fund makes this election, the amount of foreign taxes it paid during the tax year may not be taken as a credit or a deduction on Form 1120-RIC, but may be claimed on Schedule A, line 5, as an addition to the dividends paid deduction.

To be eligible for the election, more than 50% of the value of the fund's total assets at the end of the tax year must consist of stock or securities in foreign corporations.

If the fund makes the election, it must furnish to its shareholders a written notice designating the shareholder's share of foreign taxes paid to each country or possession and the share of the dividend that represents income derived from sources within each country or possession. The notice must be mailed to the shareholders no later than 60 days after the end of the fund's tax year.

To make a valid election, in addition to timely filing Form 1120-RIC and checking the box on line 12, the fund must file:

- Forms 1099-DIV, Dividends and Distributions, and Form 1096, Annual Summary and Transmittal of U.S. Information Returns, including the statement required by Regulations section 1.853-4; and
 - Form 1118, Foreign Tax Credit—Corporations, modified to become a statement supporting the fund's election.
- For further information, see Regulations section 1.853-4.

Schedule L

Balance Sheets

Line 4. Tax-exempt securities.—Include on this line:

1. State and local government obligations, the interest on which is excludable from gross income under section 103(a), and
2. Stock in another mutual fund or other regulated investment company that distributed exempt-interest dividends during the tax year of the fund.

Schedule M-1

Reconciliation of Income per Books With Income per Return

Line 5d. Travel and entertainment.—Include on line 5d any of the following:

- 20% of the meals and entertainment not allowed under section 274(i).
- Expenses for the use of an entertainment facility.
- The part of business gifts over \$25.
- Expenses of an individual in excess of \$2,000, which are allocable to conventions on cruise ships.
- Employee achievement awards over \$400.
- The cost of entertainment tickets over face value (also subject to 20% disallowance under section 274(i)).
- The cost of skyboxes over the face value of nonluxury box seat tickets.
- The part of luxury water travel not allowed under section 274(f).
- Expenses for travel as a form of education.
- Other travel and entertainment expenses not allowed as a deduction.

Line 7. Tax Exempt Interest.—Include as interest on line 7 any exempt-interest dividends received by the fund as shareholder in a mutual fund or other regulated investment company.

Worksheet for Members of a Controlled Group
(keep for your records)

Each member of a controlled group must compute the tax on its investment company taxable income as follows (except funds that are personal holding companies or that are not in compliance with Regulations section 1.852-6):

1. Enter investment company taxable income (line 26, page 1, Form 1120-RIC)	1.	_____
2. Enter line 1 or the fund's share of the \$50,000 taxable income bracket, whichever is less	2.	_____
3. Subtract line 2 from line 1	3.	_____
4. Enter line 3 or the fund's share of the \$25,000 taxable income bracket, whichever is less	4.	_____
5. Subtract line 4 from line 3	5.	_____
6. Multiply line 2 by 15%	6.	_____
7. Multiply line 4 by 25%	7.	_____
8. Multiply line 5 by 34%	8.	_____
9. If the taxable income of the controlled group exceeds \$100,000, enter this member's share of the smaller of (a) 5% of the excess over \$100,000, or (b) \$11,750. (See Additional 3% tax, on page 6)	9.	_____
10. Add lines 6 through 9. Enter here and on line 3a, Schedule J, Form 1120-RIC	10.	_____

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1120S U.S. Income Tax Return for an S Corporation
 Department of the Treasury Internal Revenue Service
 For calendar year 1992, or tax year beginning 1992, and ending 1992
 OMB No. 1545-0130

A Date of election as an S corporation: Use IRS label. Otherwise, please print or type.

B Business code no. (see Specific Instructions)

C Employer identification number

D Date incorporated

E Total assets (see Specific Instructions)

F Check applicable boxes: (1) Initial return (2) Final return (3) Change in address (4) Amended return
G Check this box if this S corporation is subject to the consolidated audit procedures of sections 6241 through 6245 (see instructions before checking this box)
H Enter number of shareholders in the corporation at end of the tax year

Caution: Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Income	1a	Gross receipts or sales	1c	
	2	Cost of goods sold (Schedule A, line 8)	2	
	3	Gross profit. Subtract line 2 from line 1c	3	
	4	Net gain (loss) from Form 4797, Part II, line 20 (attach Form 4797)	4	
	5	Other income (loss) (see instructions) (attach schedule)	5	
	6	Total income (loss). Combine lines 3 through 5	6	
Deductions (See instructions for limitations.)	7	Compensation of officers	7	
	8a	Salaries and wages	8c	
	9	Repairs	9	
	10	Bad debts	10	
	11	Rents	11	
	12	Taxes	12	
	13	Interest	13	
	14a	Depreciation (see instructions)	14a	
	b	Depreciation claimed on Schedule A and elsewhere on return	14b	
	c	Subtract line 14b from line 14a	14c	
	15	Depletion (Do not deduct oil and gas depletion.)	15	
	16	Advertising	16	
	17	Pension, profit-sharing, etc., plans	17	
18	Employee benefit programs	18		
19	Other deductions (see instructions) (attach schedule)	19		
20	Total deductions. Add lines 7 through 19	20		
21	Ordinary income (loss) from trade or business activities. Subtract line 20 from line 6	21		
Tax and Payments	22	Tax:	22	
	a	Excess net passive income tax (attach schedule)	22a	
	b	Tax from Schedule D (Form 1120S)	22b	
	c	Add lines 22a and 22b (see instructions for additional taxes)	22c	
	23	Payments:	23	
	a	1992 estimated tax payments	23a	
	b	Tax deposited with Form 7004	23b	
	c	Credit for Federal tax paid on fuels (attach Form 4136)	23c	
	d	Add lines 23a through 23c	23d	
	24	Estimated tax penalty (see instructions). Check if Form 2220 is attached. <input type="checkbox"/>	24	
25	Tax due. If the total of lines 22c and 24 is larger than line 23d, enter amount owed. See instructions for depositary method of payment.	25		
26	Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid	26		
27	Enter amount of line 26 you want: Credited to 1993 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	27		

Please Sign Here

Signature of officer _____ Date _____ Title _____

Paid Preparer's Use Only

Preparer's signature _____ Date _____ Check if self-employed Preparer's social security number _____

Firm's name (or yours if self-employed) and address _____ E.I. No. _____ ZIP code _____

Form 1120S (1992) **Schedule A Cost of Goods Sold** (See instructions.) Page 2

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (see instructions) (attach schedule)	4	
5	Other costs (attach schedule)	5	
6	Total. Add lines 1 through 5	6	
7	Inventory at end of year	7	
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	

9a Check all methods used for valuing closing inventory:

(i) Cost

(ii) Lower of cost or market as described in Regulations section 1.471-4

(iii) Writedown of "subnormal" goods as described in Regulations section 1.471-2(c)

(iv) Other (specify method used and attach explanation) _____

b Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970).

c If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO %

d Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? Yes No

e Was there any change in determining quantities, cost, or valuations between opening and closing inventory? Yes No If "Yes," attach explanation.

Schedule B Other Information

	Yes	No
1 Check method of accounting: (a) <input type="checkbox"/> Cash (b) <input type="checkbox"/> Accrual (c) <input type="checkbox"/> Other (specify) _____		
2 Refer to the list in the instructions and state the corporation's principal: (a) Business activity _____ (b) Product or service _____		
3 Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c.) If "Yes," attach a schedule showing: (a) name, address, and employer identification number and (b) percentage owned.		
4 Was the corporation a member of a controlled group subject to the provisions of section 1561?		
5 At any time during calendar year 1992, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? (See instructions for exceptions and filing requirements for form TD F 90-22.1.) If "Yes," enter the name of the foreign country _____		
6 Was the corporation the grantor of, or transferor to, a foreign trust that existed during the current tax year, whether or not the corporation has any beneficial interest in it? If "Yes," the corporation may have to file Forms 3520, 3520-A, or 926		
7 Check this box if the corporation has filed or is required to file Form 8264, Application for Registration of a Tax Shelter <input type="checkbox"/>		
8 Check this box if the corporation issued publicly offered debt instruments with original issue discount <input type="checkbox"/> If so, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.		
9 If the corporation: (a) filed its election to be an S corporation after 1986, (b) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation, and (c) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions) _____		
10 Check this box if the corporation had subchapter C earnings and profits at the close of the tax year (see instructions) <input type="checkbox"/>		
11 Was this corporation in operation at the end of 1992? <input type="checkbox"/>		
12 How many months in 1992 was this corporation in operation? _____		

Designation of Tax Matters Person (See instructions.)

Enter below the shareholder designated as the tax matters person (TMP) for the tax year of this return:

Name of designated TMP _____ Identifying number of TMP _____

Address of designated TMP _____

Schedule K Shareholders' Shares of Income, Credits, Deductions, etc.		(a) Pro rata share items		(b) Total amount	
Income (Loss)	1 Ordinary income (loss) from trade or business activities (page 1, line 21)	1			
	2 Net income (loss) from rental real estate activities (attach Form 8825)	2			
	3a Gross income from other rental activities	3a			
	b Expenses from other rental activities (attach schedule)	3b			
	c Net income (loss) from other rental activities. Subtract line 3b from line 3a				
	4 Portfolio income (loss):				
	a Interest income	4a			
	b Dividend income	4b			
	c Royalty income	4c			
	d Net short-term capital gain (loss) (attach Schedule D (Form 1120S))	4d			
e Net long-term capital gain (loss) (attach Schedule D (Form 1120S))	4e				
f Other portfolio income (loss) (attach schedule)	4f				
5 Net gain (loss) under section 1231 (other than due to casualty or theft) (attach Form 4797)	5				
6 Other income (loss) (attach schedule)	6				
Deductions	7 Charitable contributions (see instructions) (attach schedule)	7			
	8 Section 179 expense deduction (attach Form 4562)	8			
Investment Interest	9 Deductions related to portfolio income (loss) (see instructions) (itemize)	9			
	10 Other deductions (attach schedule)	10			
Credits	11a Interest expense on investment debts	11a			
	b (1) Investment income included on lines 4a through 4f above	11b(1)			
	(2) Investment expenses included on line 9 above	11b(2)			
	12a Credit for alcohol used as a fuel (attach Form 6478)	12a			
	b Low-income housing credit (see instructions):				
	(1) From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12b(1)			
	(2) Other than on line 12b(1) for property placed in service before 1990	12b(2)			
	(3) From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12b(3)			
	(4) Other than on line 12b(3) for property placed in service after 1989	12b(4)			
	c Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12c			
d Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities (see instructions)	12d				
e Credits related to other rental activities (see instructions)	12e				
13 Other credits (see instructions)	13				
Adjustments and Tax Preference Items	14a Depreciation adjustment on property placed in service after 1986	14a			
	b Adjusted gain or loss	14b			
	c Depletion (other than oil and gas)	14c			
	d (1) Gross income from oil, gas, or geothermal properties	14d(1)			
	(2) Deductions allocable to oil, gas, or geothermal properties	14d(2)			
e Other adjustments and tax preference items (attach schedule)	14e				
Foreign Taxes	15a Type of income ▶				
	b Name of foreign country or U.S. possession ▶				
	c Total gross income from sources outside the United States (attach schedule)	15c			
	d Total applicable deductions and losses (attach schedule)	15d			
	e Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	15e			
	f Reduction in taxes available for credit (attach schedule)	15f			
g Other foreign tax information (attach schedule)	15g				
Other	16a Total expenditures to which a section 59(e) election may apply	16a			
	b Type of expenditures ▶				
	17 Tax-exempt interest income	17			
	18 Other tax-exempt income	18			
	19 Nondeductible expenses	19			
	20 Total property distributions (including cash) other than dividends reported on line 22 below	20			
	21 Other items and amounts required to be reported separately to shareholders (see instructions) (attach schedule)				
	22 Total dividend distributions paid from accumulated earnings and profits	22			
23 Income (loss). (Required only if Schedule M-1 must be completed.) Combine lines 1 through 6 in column (b). From the result, subtract the sum of lines 7 through 11a, 15e, and 16a	23				

Schedule L Balance Sheets		Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash				
2a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories				
4	U.S. Government obligations				
5	Tax-exempt securities				
6	Other current assets (attach schedule)				
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach schedule)				
10a	Buildings and other depreciable assets				
b	Less accumulated depreciation				
11a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization				
14	Other assets (attach schedule)				
15	Total assets				
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach schedule)				
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (attach schedule)				
22	Capital stock				
23	Paid-in or capital surplus				
24	Retained earnings				
25	Less cost of treasury stock				
26	Total liabilities and shareholders' equity				
Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (You are not required to complete this schedule if the total assets on line 15, column (d), of Schedule L are less than \$25,000.)					
1	Net income (loss) per books			5	Income recorded on books this year not included on Schedule K, lines 1 through 6 (itemize):
2	Income included on Schedule K, lines 1 through 6, not recorded on books this year (itemize):			6	• Tax-exempt interest \$
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 11a, 15e, and 16a (itemize):			6	Deductions included on Schedule K, lines 1 through 11a, 15e, and 16a, not charged against book income this year (itemize):
a	Depreciation \$				• Depreciation \$
b	Travel and entertainment \$				
4	Add lines 1 through 3			7	Add lines 5 and 6
				8	Income (loss) (Schedule K, line 23). Line 4 less line 7
Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (See instructions.)					
		(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed	
1	Balance at beginning of tax year				
2	Ordinary income from page 1, line 21				
3	Other additions				
4	Loss from page 1, line 21				
5	Other reductions				
6	Combine lines 1 through 5				
7	Distributions other than dividend distributions				
8	Balance at end of tax year. Subtract line 7 from line 6				

1992


 Department of the Treasury
 Internal Revenue Service

Instructions for Form 1120S

U.S. Income Tax Return for an S Corporation

(Section references are to the Internal Revenue Code unless otherwise noted.)

Paperwork Reduction Act Notice

We ask for the information on these forms to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file the following forms will vary depending on individual circumstances. The estimated average times are:

Form	Recordkeeping	Learning about the law or the form	Preparing the form	Copying, assembling, and sending the form to the IRS
1120S	63 hr., 6 min.	16 hr., 36 min.	34 hr., 27 min.	4 hr., 1 min.
Sch. D (1120S)	9 hr., 5 min.	4 hr., 13 min.	9 hr., 13 min.	1 hr., 20 min.
Sch. K-1 (1120S)	14 hr., 35 min.	9 hr., 43 min.	14 hr., 7 min.	1 hr., 4 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making these forms more simple, we would be happy to hear from you. You can write to both the Internal Revenue Service, Washington, DC 20224, Attention: IRS Reports Clearance Officer, T:FP; and the Office of Management and Budget, Paperwork Reduction Project (1545-0130), Washington, DC 20503. DO NOT send the tax forms to either of these offices. Instead, see Where To File on page 2.

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Voluntary Contributions To Reduce the Public Debt

Quite often, inquiries are received about how to make voluntary contributions to reduce the public debt. A corporation may contribute by enclosing with the tax return a check made payable to "Bureau of the Public Debt."

Changes To Note

Unemployment Compensation Amendments of 1992

For tax years beginning after June 30, 1992, Public Law 102-318 increased the percentage of the current year's taxes required to be paid in installments during the tax year to 97%. See Estimated Tax on page 3 for details.

Energy Policy Act of 1992

The Energy Policy Act of 1992 made several changes that affect corporations. Some of the changes are highlighted below. These changes affect fiscal 1992-93 filers. Calendar year filers are not impacted until 1993.

• **Deduction for clean-fuel vehicles and certain refueling property.**—New section 179A allows a deduction for part of the cost of qualified clean-fuel vehicle property and qualified clean-fuel vehicle refueling property placed in service after June 30, 1993.

Qualified clean-fuel vehicle property includes:

1. The part of the basis of a new vehicle designed to use a clean-burning fuel that is attributable to an engine that uses that fuel (and its related fuel storage, delivery, and exhaust systems), and

2. New retrofit parts and components used to convert a motor vehicle to operate on a clean-burning fuel.

Clean-burning fuels are natural gas, liquefied natural gas, liquefied petroleum (LPG) gas, hydrogen, electricity, and fuels containing at least 85% alcohol (including methanol and ethanol) or ether.

The deduction for most motor vehicles is limited to \$2,000 per vehicle. A motor vehicle is any vehicle with at least 4 wheels that is made for use on public roads. The limit is \$5,000 per vehicle for trucks and vans with a gross vehicle weight (GVW) over 10,000 pounds but not over 26,000 pounds. For trucks and vans with a GVW over 26,000 pounds and buses that seat at least 20 adult

passengers, the limit is \$50,000 per vehicle.

Qualified clean-fuel vehicle refueling property is new depreciable property used to store or dispense clean-burning fuels (or to recharge an electric vehicle) that is located at the point where the fuel is delivered into the tank of the clean-fuel vehicle (or where the vehicle is recharged). The deduction for this property is limited to \$100,000 per location.

For more details, see section 179A.

• **Qualified electric vehicle credit.**—New section 30 provides a credit equal to 10% of the cost of a qualified new electric vehicle, or \$4,000, whichever is less, for each vehicle placed in service after June 30, 1993. Vehicles qualifying for this credit are not eligible for the deduction for clean-fuel vehicles under section 179A. Get Form 8834, Qualified Electric Vehicle Credit, for more details.

• **Renewable electricity production credit.**—New section 45 provides a credit equal to 1.5 cents per kilowatt hour for electricity produced by the corporation using closed-loop biomass and sold to an unrelated person. The facility from which the electricity is produced must have been originally placed in service after 1992. Get Form 8835, Renewable Electricity Production Credit, for more details.

Schedules K and K-1

• Schedules K and K-1 have been expanded to provide separate lines for tax-exempt interest income, other tax-exempt income, and nondeductible expenses. The addition of these lines to Schedule K-1 will make it easier for each shareholder to figure the basis of his or her stock and debt the corporation owes to the shareholder.

General Instructions

Note: In addition to the publications listed throughout these instructions, you may wish to get Pub. 334, Tax Guide for Small Business; Pub. 535, Business Expenses; Pub. 550, Investment Income and Expenses; Pub. 556, Examination of Returns, Appeal Rights, and Claims for Refund; and Pub. 589, Tax Information on S Corporations.

These and other publications referenced throughout these instructions may be obtained at most IRS offices. To order publications and forms, call our toll-free number 1-800-TAX-FORM (1-800-829-3676).

Purpose of Form

Form 1120S is used to report the income, deductions, gains, losses, etc., of a domestic corporation that has filed Form 2553, Election by a Small Business Corporation, to be treated as an S corporation, and whose election is in effect for the tax year.

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Who Must File

A corporation must file Form 1120S if (a) it elected by filing Form 2553 to be treated as an S corporation, (b) the IRS accepted the election, and (c) the election remains in effect. Do not file Form 1120S until the corporation has been notified by the IRS that the election has been accepted.

Termination of Election

Once the election is made, it stays in effect until it is terminated. During the 5 years after the tax year the election has been terminated, the corporation may make another election on Form 2553 only with IRS consent. See section 1362(g).

An election terminates automatically in any of the following cases:

1. The corporation is no longer a small business corporation as defined in section 1361(b). The termination of an election in this manner is effective as of the day on which the corporation ceases to be a small business corporation. See sections 1362(d)(2) and 1362(e) for more information.

2. The corporation, for each of three consecutive tax years, (a) has subchapter C earnings and profits and (b) derives more than 25% of its gross receipts from passive investment income as defined in section 1362(d)(3)(D). The election terminates on the first day of the first tax year beginning after the third consecutive tax year.

The corporation must pay a tax for each year it has excess net passive income. See the instructions for line 22a for details on how to figure the tax.

3. The election is revoked. An election may be revoked only if shareholders who collectively own a majority of the stock in the corporation on the day the revocation is made consent to the revocation. The revocation may specify an effective revocation date that is on or after the day the revocation is made. If no date is specified, the revocation is effective at the start of a tax year if the revocation is made on or before the 15th day of the 3rd month of that tax year. If no date is specified and the revocation is made after the 15th day of the 3rd month of the tax year, the revocation is effective at the start of the next tax year. See section 1362(d)(1) for more information.

When To File

In general, file Form 1120S by the 15th day of the 3rd month after the end of the tax year.

Extension

Use Form 7004, Application for Automatic Extension of Time To File Corporation Income Tax Return, to request an automatic 6-month extension of time to file Form 1120S.

Period Covered

File the 1992 return for calendar year 1992 and fiscal years beginning in 1992 and

ending in 1993. If the return is for a fiscal year, fill in the tax year space at the top of the form.

Note: The 1992 Form 1120S may also be used if (a) the corporation has a tax year of less than 12 months that begins and ends in 1993 and (b) the 1993 Form 1120S is not available by the time the corporation is required to file its return. However, the corporation must show its 1993 tax year on the 1992 Form 1120S and incorporate any tax law changes that are effective for tax years beginning after December 31, 1992.

Where To File

Use the preaddressed envelope. If you do not use the envelope, file your return at the applicable IRS address listed below.

If the corporation's principal business, office, or agency is located in	Use the following Internal Revenue Service Center address
New Jersey, New York (New York City and counties of Nassau, Rockland, Suffolk, and Westchester)	Hotsville, NY 00501
New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	Andover, MA 05501
Florida, Georgia, South Carolina	Atlanta, GA 39901
Indiana, Kentucky, Michigan, Ohio, West Virginia	Cincinnati, OH 45999
Kansas, New Mexico, Oklahoma, Texas	Austin, TX 73301
Alaska, Arizona, California (counties of Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba), Colorado, Idaho, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming	Ogden, UT 84201
California (all other counties), Hawaii	Fresno, CA 93888
Illinois, Iowa, Minnesota, Missouri, Wisconsin	Kansas City, MO 64999
Alabama, Arkansas, Louisiana, Mississippi, North Carolina, Tennessee	Memphis, TN 37501
Delaware, District of Columbia, Maryland, Pennsylvania, Virginia	Philadelphia, PA 19255

Who Must Sign

The return must be signed and dated by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or any other corporate officer (such

as tax officer) authorized to sign. A receiver, trustee, or assignee must sign and date any return he or she is required to file on behalf of a corporation.

If a corporate officer filled in Form 1120S, the Paid Preparer's space under "Signature of officer" should remain blank. If someone prepares Form 1120S and does not charge the corporation, that person should not sign the return. Certain others who prepare Form 1120S should not sign. For example, a regular, full-time employee of the corporation such as a clerk, secretary, etc., should not sign.

Generally, anyone paid to prepare Form 1120S must sign the return and fill in the other blanks in the Paid Preparer's Use Only area of the return.

The preparer required to sign the return MUST complete the required preparer information and:

- Sign it, by hand, in the space provided for the preparer's signature. (Signature stamps or labels are not acceptable.)
- Give a copy of Form 1120S to the taxpayer in addition to the copy filed with the IRS.

Accounting Methods

Ordinary income must be computed using the method of accounting regularly used in keeping the corporation's books and records. Generally, permissible methods include the cash method, the accrual method, or any other method permitted by the Internal Revenue Code. In all cases, the method adopted must clearly reflect income.

Generally, an S corporation may not use the cash method of accounting if the corporation is a tax shelter (as defined in section 448(d)(3)). See section 448 for details.

Under the accrual method, an amount is includable in income when all the events have occurred that fix the right to receive the income and the amount can be determined with reasonable accuracy. See Regulations section 1.451-1(a) for details.

Generally, an accrual basis taxpayer can deduct accrued expenses in the tax year in which all events that determine liability have occurred, the amount of the liability can be figured with reasonable accuracy, and economic performance takes place with respect to the expense. There are exceptions for recurring items and items involving transactions between related taxpayers described in section 267.

Except for real property construction contracts, long-term contracts must generally be accounted for using the percentage of completion method described in section 460.

Generally, the corporation may change its method of accounting used to report taxable income (for income as a whole or for any material item) only by getting consent on Form 3115, Application for Change in Accounting Method. For more information, get Pub. 538, Accounting Periods and Methods.

Accounting Periods

Generally, an S corporation may not change its accounting period to a tax year that is not a permitted year. A "permitted year" is a calendar year or any other accounting period for which the corporation can establish to the satisfaction of the IRS that there is a business purpose for the tax year.

To change an accounting period, see Regulations section 1.442-1 and Form 1128, Application to Adopt, Change, or Retain a Tax Year. Also see Pub. 538.

Election of a tax year other than a required year.—Under the provisions of section 444, an S corporation may elect to have a tax year other than a permitted year, but only if the deferral period of the tax year is not longer than 3 months. This election is made by filing Form 8716, Election To Have a Tax Year Other Than a Required Tax Year.

An S corporation may not make or continue an election under section 444 if it is a member of a tiered structure, other than a tiered structure that consists entirely of partnerships and S corporations that have the same tax year. For the S corporation to have a section 444 election in effect, it must make the payments required by section 7519 and file Form 8752, Required Payment or Refund Under Section 7519.

Rounding Off to Whole Dollars

You may round off cents to whole dollars on your return and accompanying schedules. To do so, drop amounts under 50 cents and increase amounts from 50 to 99 cents to the next higher dollar.

Recordkeeping

The corporation's records must be kept as long as they may be needed for the administration of any provision of the Internal Revenue Code. Usually, records that support an item of income, deduction, or credit on the corporation's return must be kept for 3 years from the date the return is due or is filed, whichever is later. Keep records that verify the corporation's basis in property for as long as they are needed to figure the basis of the original or replacement property.

The corporation should also keep copies of any returns it has filed. They help in preparing future returns and in making computations when filing an amended return.

Depository Method of Tax Payment

The corporation must pay the tax due in full no later than the 15th day of the 3rd month after the end of the tax year.

Deposit corporation income tax payments (and estimated tax payments) with Form 8109, Federal Tax Deposit Coupon. Do not submit deposits directly to an IRS office; otherwise, the corporation

may have to pay a penalty. Mail or deliver the completed Form 8109 with the payment to a qualified depository for Federal taxes or to the Federal Reserve bank (FRB) servicing your geographic area. Make your checks or money orders payable to that depository or FRB.

To help ensure proper crediting, write the corporation's employer identification number, the tax period to which the deposit applies, and "Form 1120S" on your check or money order. Be sure to darken the "1120" box on the coupon. These records of deposit will be sent to the IRS.

For more information on deposits, see the instructions in the coupon booklet (Form 8109) and Pub. 583, Taxpayers Starting a Business.

Estimated Tax

Generally, the corporation must make estimated tax payments for the following taxes if the total of these taxes is \$500 or more: (a) the tax on certain capital gains, (b) the tax on built-in gains, (c) the excess net passive income tax, and (d) the investment credit recapture tax.

For tax years beginning after June 30, 1992, the amount of estimated tax required to be paid annually is the lesser of (a) 97% of the above taxes shown on the return for the tax year (or if no return is filed, 97% of these taxes for the year); or (b) the sum of (i) 97% of the sum of the investment credit recapture tax and the built-in gains tax (or the tax on certain capital gains) shown on the return for the tax year (or if no return is filed, 97% of these taxes for the year), and (ii) 100% of any excess net passive income tax shown on the corporation's return for the preceding tax year. If the preceding tax year was less than 12 months, the estimated tax must be determined under (a).

The estimated tax is generally payable in four equal installments. However, the corporation may be able to lower the amount of one or more installments by using the annualized income installment method or adjusted seasonal installment method under section 6655(e).

For a calendar year corporation, the payments are due by April 15, June 15, September 15, and December 15. For a fiscal year corporation, they are due by the 15th day of the 4th, 6th, 9th, and 12th months of the fiscal year.

The payments are made using the depository method.

Interest and Penalties

Interest

Interest is charged on taxes not paid by the due date, even if an extension of time to file is granted. Interest is also charged from the due date (including extensions) to the date of payment on the failure to file penalty, the accuracy-related penalty, and the fraud penalty. The interest charge is figured at a rate determined under section 6621.

Late Filing of Return

A corporation that does not file its tax return by the due date, including extensions, may have to pay a penalty of 5% a month, or part of a month, up to a maximum of 25%, for each month the return is not filed. The penalty is imposed on the net amount due. The minimum penalty for filing a return more than 60 days late is the smaller of the tax due or \$100. The penalty will not be imposed if the corporation can show that the failure to file on time was due to reasonable cause. Corporations that file late must attach a statement explaining the reasonable cause.

Late Payment of Tax

A corporation that does not pay the tax when due generally may have to pay a penalty of 1/2 of 1% a month or part of a month, up to a maximum of 25%, for each month the tax is not paid. The penalty is imposed on the net amount due.

The penalty will not be imposed if the corporation can show that failure to pay on time was due to reasonable cause.

Failure to Furnish Information Timely

Section 6037(b) requires an S corporation to furnish to each shareholder a copy of the information shown on Schedule K-1 (Form 1120S) that is attached to Form 1120S. Provide Schedule K-1 to each shareholder on or before the day on which the corporation files Form 1120S.

For each failure to furnish Schedule K-1 to a shareholder when due and each failure to include on Schedule K-1 all of the information required to be shown (or the inclusion of incorrect information), a penalty of \$50 may be imposed with regard to each Schedule K-1 for which a failure occurs. If the requirement to report correct information is intentionally disregarded, each \$50 penalty is increased to \$100 or, if greater, 10% of the aggregate amount of items required to be reported. See sections 6722 and 6724 for more information.

The penalty will not be imposed if the corporation can show that not furnishing information timely was due to reasonable cause and not due to willful neglect.

Unresolved Tax Problems

The IRS has a Problem Resolution Program for taxpayers who have been unable to resolve their problems with the IRS. If the corporation has a tax problem it has been unable to resolve through normal channels, write to the corporation's local IRS District Director or call the corporation's local IRS office and ask for Problem Resolution assistance. Hearing-impaired persons who have access to TDD equipment may call 1-800-829-4059 to ask for help. The Problem Resolution office will ensure that your problem receives proper attention. Although the office cannot change the tax law or make technical decisions, it can help clear up problems that resulted from previous contacts.

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Other Forms, Returns, Schedules, and Statements That May Be Required

Forms W-2 and W-3, Wage and Tax Statement; and Transmittal of Income and Tax Statements.

Form 720, Quarterly Federal Excise Tax Return. Use Form 720 to report the 10% excise tax on the first retail sale of the following items sold to the extent the sales price exceeds the amounts shown: (a) passenger vehicles, \$30,000 (b) boats and yachts, \$100,000; (c) aircraft, \$250,000; and (d) jewelry and furs, \$10,000. Form 720 is also used to report environmental excise taxes, telecommunications and air transportation taxes, fuel taxes, manufacturers taxes, ship passenger tax, and certain other excise taxes.

Caution: A 100% penalty may apply where certain excise taxes that should be collected are not collected or are not paid to the IRS. Under this penalty, certain officers or employees of the corporation become personally liable for payment of the taxes and may be penalized in an amount equal to the unpaid taxes. See the Instructions for Form 720 for more details.

Form 940 or Form 940-EZ, Employer's Annual Federal Unemployment (FUTA) Tax Return. The corporation may be liable for FUTA tax and may have to file Form 940 or 940-EZ if it paid wages of \$1,500 or more in any calendar quarter or one or more employees worked for the corporation for some part of a day in any 20 different weeks during the calendar year.

Form 941, Employer's Quarterly Federal Tax Return. Employers must file this form quarterly to report income tax withheld and employer and employee social security and Medicare taxes. Agricultural employers must file Form 943, Employer's Annual Tax Return for Agricultural Employees, instead of Form 941, to report income tax withheld and employer and employee social security and Medicare taxes on farmworkers.

Caution: A 100% penalty may apply where income, social security, and Medicare taxes that should be withheld are not withheld or are not paid to the IRS. Under this penalty, certain officers or employees of the corporation become personally liable for payment of the taxes and may be penalized in an amount equal to the unpaid taxes. Get Circular E, Employer's Tax Guide for Circular A, Agricultural Employer's Tax Guide, for details.

Form 966, Corporate Dissolution or Liquidation.

Forms 1042 and 1042S, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons; and Foreign Person's U.S. Source Income Subject to Withholding. Use these forms to report and transmit withheld tax on payments made to nonresident alien individuals, foreign partnerships, or foreign corporations to the extent such payments constitute gross income from sources within the United States (see sections 461 through 865). For more information, see sections 1441 and

1442, and Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations.

Form 1096, Annual Summary and Transmittal of U.S. Information Returns.

Form 1098, Mortgage Interest Statement. Use this form to report the receipt from any individual of \$600 or more of mortgage interest and points in the course of the corporation's trade or business.

Forms 1099-A, B, DIV, INT, MISC, OID, PATR, R, and S. You may have to file these information returns to report abandonments; acquisitions through foreclosure; proceeds from broker and barter exchange transactions; certain dividends; interest payments; medical and dental health care payments; miscellaneous income payments; original issue discount; patronage dividends; distributions from pensions, annuities, retirement or profit-sharing plans, IRAs, insurance contracts, etc.; and proceeds from real estate transactions. Also use certain of these returns to report amounts that were received as a nominee on behalf of another person.

Use Form 1099-DIV to report actual dividends paid by the corporation. Only distributions from accumulated earnings and profits are classified as dividends. Do not issue Form 1099-DIV for dividends received by the corporation that are allocated to shareholders on line 4b of Schedule K-1.

For more information, see the separate Instructions for Forms 1099, 1098, 5498, and W-2G.

Note: Every corporation must file Forms 1099-MISC if it makes payments of rents, commissions, or other fixed or determinable income (see section 6041) totaling \$600 or more to any one person in the course of its trade or business during the calendar year.

Form 5713, International Boycott Report. Every corporation that had operations in, or related to, a "boycotting" country, company, or national of a country must file Form 5713. In addition, persons who participate in or cooperate with an international boycott may have to complete Schedule A or Schedule B and Schedule C of Form 5713 to compute their loss of the foreign tax credit, the deferral of earnings of a controlled foreign corporation, IC-DISC benefits, and FSC benefits.

Form 8264, Application for Registration of a Tax Shelter. is used by tax shelter organizers to register tax shelters with the IRS for the purpose of receiving a tax shelter registration number.

Form 8271, Investor Reporting of Tax Shelter Registration Number. is used by corporations that have acquired an interest in a tax shelter that is required to be registered to report the tax shelter's registration number. Form 8271 must be attached to any return on which a deduction, credit, loss, or other tax benefit attributable to a tax shelter is taken or any income attributable to a tax shelter is reported.

Form 8275, Disclosure Statement. Form 8275 is used by taxpayers and income tax return preparers to disclose items or positions, except those contrary to a regulation, that are not otherwise adequately disclosed on a tax return. The disclosure is made to avoid the parts of the accuracy-related penalty imposed for negligence, disregard of rules, or substantial understatement of tax. Form 8275 is also used for disclosures relating to preparer penalties for understatements due to unrealistic positions or for willful or reckless conduct.

Form 8275-R, Regulation Disclosure Statement, is used to disclose any item on a tax return for which a position has been taken that is contrary to Treasury regulations.

Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments. This form is used by issuers of publicly offered debt instruments having OID to provide the information required by section 1275(c).

Forms 8288 and 8288-A, U.S. Withholding Tax Return for Dispositions by Foreign Persons of U.S. Real Property Interests; and Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests. Use these forms to report and transmit withheld tax on the sale of U.S. real property by a foreign person. See section 1445 and the related regulations for additional information.

Form 8300, Report of Cash Payments Over \$10,000 Received in a Trade or Business. This form is used to report the receipt of more than \$10,000 in cash or foreign currency in one transaction (or a series of related transactions).

Form 8594, Asset Acquisition Statement, is to be filed by both the purchaser and seller of a group of assets constituting a trade or business if goodwill or a going concern value attaches, or could attach, to such assets and, if the purchaser's basis in the assets is determined only by the amount paid for the assets.

Form 8697, Interest Computation Under the Look-Back Method for Completed Long-Term Contracts. Certain S corporations that are not closely held may have to file Form 8697. Form 8697 is used to figure the interest due or to be refunded under the look-back method of section 468(b)(2) on certain long-term contracts that are accounted for under either the percentage of completion-capitalized cost method or the percentage of completion method. Closely held corporations should see the instructions for line 23, item 11, of Schedule K-1 for details on the Form 8697 information they must provide to their shareholders.

Stock ownership in foreign corporations.—If the corporation owned at least 5% in value of the outstanding stock of a foreign personal holding company, and the corporation was required to include in its gross income any undistributed foreign personal holding company income, attach the statement required by section 551(c).

A corporation may have to file Form 5471, Information Return of U.S. Persons With Respect to Certain Foreign Corporations, if any of the following applies:

1. It controls a foreign corporation.
2. It acquires, disposes of, or owns 5% or more in value of the outstanding stock of a foreign corporation.
3. It is a 10%-or-more shareholder of a foreign personal holding company.
4. It owns stock in a controlled foreign corporation for an uninterrupted period of 30 days or more during any tax year of the foreign corporation, and it owned that stock on the last day of that year.

Transfers to a corporation controlled by the transferor.—If a person receives stock of a corporation in exchange for property, and no gain or loss is recognized under section 351, the transferor and transferee must each attach to their tax returns the information required by Regulations section 1.351-3.

Attachments

Attach Form 4136, Credit for Federal Tax Paid on Fuels, after page 4, Form 1120S. Attach schedules in alphabetical order and other forms in numerical order after Form 4136.

To assist us in processing the return, please complete every applicable entry space on Form 1120S and Schedule K-1. If you attach statements, do not write "See attached" instead of completing the entry spaces on Form 1120S and Schedule K-1.

If you need more space on the forms or schedules, attach separate sheets and show the information in the same order as on the printed forms. But show the totals on the printed forms. Please use sheets that are the same size as the forms and schedules. Attach these separate sheets after all the schedules and forms. Be sure to put the corporation's name and employer identification number (EIN) on each sheet.

Amended Return

To correct an error in a Form 1120S already filed, file an amended Form 1120S and check box F(4). If the amended return results in a change to income, or a change in the distribution of any income or other information provided to shareholders, an amended Schedule K-1 (Form 1120S) must also be filed with the amended Form 1120S and given to each shareholder. Be sure to check box D(2) on each Schedule K-1 to indicate that it is an amended Schedule K-1.

Note: If an S corporation does not meet the small S corporation exception under Temporary Regulations section 301.6241-1T or if it is a small S corporation that has made the election described in Temporary Regulations section 301.6241-1T(c)(2)(v), and it files an amended return, the amended return will be a request for administrative adjustment and the tax matters person must file Form 8082, Notice of Inconsistent Treatment or

Amended Return (Administrative Adjustment Request (AAR)). See the temporary regulations under section 6241 for more information.

Passive Activity Limitations

In general, section 469 limits the amount of losses, deductions, and credits that shareholders may claim from "passive activities." The passive activity limitations do not apply to the corporation. Instead, they apply to each shareholder's share of any income or loss and credit attributable to a passive activity. Because the treatment of each shareholder's share of corporate income or loss and credit depends upon the nature of the activity that generated it, the corporation must report income or loss and credits separately for each activity.

The instructions below (pages 5 through 8) and the instructions for Schedules K and K-1 (pages 14 through 20) explain the applicable passive activity limitation rules and specify the type of information the corporation must provide to its shareholders for each activity. If the corporation had more than one activity, it must report information for each activity on an attachment to Schedules K and K-1.

Generally, passive activities include (a) activities that involve the conduct of a trade or business in which the shareholder does not materially participate and (b) any rental activity (see definition on page 6) even if the shareholder materially participates. The level of each shareholder's participation in an activity must be determined by the shareholder.

The passive activity rules provide that losses and credits from passive activities can generally be applied only against income and tax from passive activities. Thus, passive losses and credits cannot be applied against income from salaries, wages, professional fees, or a business in which the shareholder materially participates; against "portfolio income" (see definition on page 7); or against the tax related to any of these types of income.

Special transitional rules apply to losses incurred by investors in qualified low-income housing projects. In addition, special rules require that net income from certain activities that would otherwise be treated as passive income must be recharacterized as nonpassive income for purposes of the passive activity limitations.

To allow each shareholder to apply the passive activity limitations at the individual level, the corporation must report income or loss and credits separately for each of the following: trade or business activities, rental real estate activities, rental activities other than rental real estate, and portfolio income. For definitions of each type of activity or income, see **Types of Activities and Income below.** For details on the special reporting requirements for passive activities, see **Passive Activity Reporting Requirements** on page 8.

Types of Activities and Income

Trade or business activities.—A trade or business activity is an activity (other than a rental activity or an activity treated as incidental to an activity of holding property or investment) that—

1. Involves the conduct of a trade or business (within the meaning of section 162).
2. Is conducted in anticipation of starting a trade or business, or
3. Involves research or experimental expenditures deductible under section 174 (or that would be if you chose to deduct rather than capitalize them).

If the shareholder does not materially participate in the activity, a trade or business activity of the corporation is a passive activity for the shareholder.

Note: The section 469(c)(3) exception for a working interest in oil and gas properties is not applicable to an S corporation because state law generally limits the liability of corporate shareholders, including shareholders of an S corporation.

Accordingly, the activity of holding a working interest in oil or gas properties is a trade or business activity and the material participation rules apply to determine if the activity is a passive activity. See Temporary Regulations section 1.469-1T(e)(4) and Regulations section 1.469-1T(e)(4).

Each shareholder must determine if he or she materially participated in an activity. As a result, while the corporation's overall trade or business income (loss) is reported on page 1 of Form 1120S, the specific income and deductions from each separate trade or business activity must be reported on attachments to Form 1120S. Similarly, while each shareholder's allocable share of the corporation's overall trade or business income (loss) is reported on line 1 of Schedule K-1, each shareholder's allocable share of the income and deductions from each trade or business activity must be reported on attachments to each Schedule K-1. See **Passive Activity Reporting Requirements** on page 8 for more information.

Rental activities.—Generally, except as noted below, if the gross income from an activity consists of amounts paid principally for the use of real or personal tangible property held by the corporation, the activity is a rental activity.

There are several exceptions to this general rule. Under these exceptions, an activity involving the use of real or personal tangible property is not a rental activity if (a) the average period of customer use (see definition below) for such property is 7 days or less; (b) the average period of customer use for such property is 30 days or less and significant personal services (see definition below) are provided by or on behalf of the corporation; (c) extraordinary personal services (see definition below) are provided by or on behalf of the corporation; (d) rental of the property is treated as incidental to a nonrental activity of the corporation under Temporary Regulations section 1.469-1T(e)(3)(vi) and Regulations section 1.469-1T(e)(3)(vi); or (e)

the corporation customarily makes the property available during defined business hours for nonexclusive use by various customers. In addition, if a corporation owns an interest in a partnership that conducts a nonrental activity, and the corporation provides property for use in that activity in the corporation's capacity as an owner of an interest in the partnership, the provision of the property is not a rental activity. Consequently, the corporation's distributive share of income from the activity is not income from a rental activity. A guaranteed payment described in section 707(c) is not income from a rental activity under any circumstances.

Whether the corporation provides property used in an activity of a partnership in the corporation's capacity as an owner of an interest in the partnership is based on all the facts and circumstances.

Average period of customer use.—The average period of customer use of property is computed by dividing the total number of days in all rental periods by the number of rentals during the tax year. If the activity involves renting more than one class of property, multiply the average period of customer use of each class by the ratio of the gross rental income from that class to the activity's total gross rental income. The activity's average period of customer use equals the sum of these class-by-class average periods weighted by gross income. See Regulations section 1.469-1T(e)(3)(ii).

Significant personal services.—Personal services include only services performed by individuals. In determining whether personal services are significant personal services, all of the relevant facts and circumstances are considered. Relevant facts and circumstances include how often the services are provided, the type and amount of labor required to perform the services, and the value of the services in relation to the amount charged for the use of the property. The following services are excluded from consideration in determining whether personal services are significant: (a) services necessary to permit the lawful use of the rental property; (b) services performed in connection with improvements or repairs to the rental property that extend the useful life of the property substantially beyond the average rental period; and (c) services provided in connection with the use of any improved real property that are similar to those commonly provided in connection with long-term rentals of high-grade commercial or residential property (e.g., cleaning and maintenance of common areas, routine repairs, trash collection, elevator service, and security at entrances).

Extraordinary personal services.— Services provided in connection with making rental property available for customer use are extraordinary personal services only if the services are performed by individuals and the customers' use of the rental property is incidental to their receipt of the services. For example, a patient's use of a hospital room generally

is incidental to the care that the patient receives from the hospital's medical staff. Similarly, a student's use of a dormitory room in a boarding school is incidental to the personal services provided by the school's teaching staff.

Rental property incidental to a nonrental activity.—An activity is not a rental activity if the rental of the property is incidental to a nonrental activity, such as the activity of holding property for investment, a trade or business activity, or the activity of dealing in property.

Rental property is incidental to an activity of holding property for investment if the main purpose for holding the property is to realize a gain from the appreciation of the property and the gross rental income from such property for the tax year is less than 2% of the smaller of the property's unadjusted basis or its fair market value.

Rental property is incidental to a trade or business activity if (a) the corporation owns an interest in the trade or business at all times during the year; (b) the rental property was mainly used in the trade or business activity during the tax year or during at least 2 of the 5 preceding tax years; and (c) the gross rental income from the property is less than 2% of the smaller of the property's unadjusted basis or its fair market value.

The sale or exchange of property that is also rented during the tax year (where the gain or loss is recognized) is treated as incidental to the activity of dealing in property if, at the time of the sale or exchange, the property was held primarily for sale to customers in the ordinary course of the corporation's trade or business.

See Temporary Regulations section 1.469-1T(e)(3) and Regulations section 1.469-1T(e)(3) for more information on the definition of rental activities for purposes of the passive activity limitations.

Reporting of rental activities.—In reporting the corporation's income or losses and credits from rental activities, the corporation must separately report (a) rental real estate activities and (b) rental activities other than rental real estate activities.

Shareholders who actively participate in a rental real estate activity may be able to deduct part or all of their rental real estate losses (and the deduction equivalent of rental real estate credits) against income (or tax) from nonpassive activities. Generally, the combined amount of rental real estate losses and the deduction equivalent of rental real estate credits from all sources (including rental real estate activities not held through the corporation) that may be claimed is limited to \$25,000.

Special transitional rules apply to investors in qualified low-income housing projects. See section 502 of the Tax Reform Act of 1986 and Pub. 825, Passive Activity and At-Risk Rules, for more information.

Rental real estate activity income (loss) is reported on Form 8825, Rental Real Estate Income and Expenses of a

Partnership or an S Corporation, and on line 2 of Schedules K and K-1 rather than on page 1 of Form 1120S.

Credits related to rental real estate activities are reported on lines 12c and 12d of Schedules K and K-1. Low-income housing credits are reported on line 12b of Schedules K and K-1.

Income (loss) from rental activities other than rental real estate is reported on line 3 of Schedules K and K-1. Credits related to rental activities other than rental real estate are reported on line 12e of Schedules K and K-1.

Portfolio income.—Generally, portfolio income includes all gross income, other than income derived in the ordinary course of a trade or business, that is attributable to interest; dividends; royalties; income from a real estate investment trust, a regulated investment company, a real estate mortgage investment conduit, a common trust fund, a controlled foreign corporation, a qualified electing fund, or a cooperative; income from the disposition of property that produces income of a type defined as portfolio income, and income from the disposition of property held for investment.

Solely for purposes of the preceding paragraph, gross income derived in the ordinary course of a trade or business includes (and portfolio income, therefore, does not include) only the following types of income: (a) interest income on loans and investments made in the ordinary course of a trade or business of lending money; (b) interest on accounts receivable arising from the performance of services or the sale of property in the ordinary course of a trade or business of performing such services or selling such property, but only if credit is customarily offered to customers of the business; (c) income from investments made in the ordinary course of a trade or business of furnishing insurance or annuity contracts or reinsuring risks underwritten by insurance companies; (d) income or gain derived in the ordinary course of an activity of trading or dealing in any property if such activity constitutes a trade or business (unless the dealer held the property for investment at any time before such income or gain is recognized); (e) royalties derived by the taxpayer in the ordinary course of a trade or business of licensing intangible property; (f) amounts included in the gross income of a patron of a cooperative by reason of any payment or allocation to the patron based on patronage occurring with respect to a trade or business of the patron; and (g) other income identified by the IRS as income derived by the taxpayer in the ordinary course of a trade or business.

See Temporary Regulations section 1.469-2(f)(3) for more information on portfolio income.

Portfolio income is reported on line 4 of Schedules K and K-1, rather than on page 1 of Form 1120S.

Expenses related to portfolio income are reported on line 9 of Schedules K and K-1.

Grouping Activities

Caution: At the time these instructions went to print, former Temporary Regulations section 1.469-4T had expired and final regulations defining the term "activity" had not been issued. The following rules are based on Proposed Regulations section 1.469-4. When these regulations are finalized, the IRS will announce any changes made to the proposed rules. The proposed regulations provide that the new rules will be effective for tax years ending after May 10, 1992. For tax years ending before May 11, 1992, former Temporary Regulations section 1.469-4T applies. For the corporation's tax year that includes May 10, 1992, the proposed regulations allow the corporation to follow either the new rules or former Temporary Regulations section 1.469-4T.

Generally, one or more trade or business activities or rental activities are treated as a single activity if the activities make up an appropriate economic unit for measurement of gain or loss for purposes of the passive activity rules. Whether activities are treated as a single activity depends on all the relevant facts and circumstances. The factors given the greatest weight in determining whether activities make up an appropriate economic unit are—

1. Similarities and differences in types of businesses.
2. The extent of common control.
3. The extent of common ownership.
4. Geographical location, and
5. Interdependencies among the activities.

Example: The corporation has a significant ownership interest in a bakery and a movie theater in Baltimore and in a bakery and a movie theater in Philadelphia. Depending on the relevant facts and circumstances, the corporation could group the movie theaters and bakeries into a single activity, into a movie theater activity and a bakery activity, into a Baltimore activity and a Philadelphia activity, or into four separate activities.

Once the corporation chooses a grouping under these rules, it must continue using that grouping in later tax years unless a material change in the facts and circumstances makes it clearly inappropriate.

The IRS may regroup the corporation's activities if the corporation's grouping fails to reflect one or more appropriate economic units and one of the primary purposes for the grouping is to circumvent the passive activity limitations.

Limitation on grouping certain activities.—The following activities may not be grouped together—

1. A rental activity with a trade or business activity (unless the rental activity is insubstantial in relation to the trade or business activity or vice versa).
2. An activity involving the rental of real property with an activity involving the rental of personal property (except for

personal property provided in connection with real property), or

3. Any activity with another activity in which the corporation holds an interest as a limited partner or as a limited entrepreneur (as defined in section 464(e)(2)) if that other activity engages in holding, producing, or distributing motion picture films or videotapes; farming; leasing section 1245 property; or, exploring for (or exploiting) oil and gas resources or geothermal deposits. See Proposed Regulations section 1.469-4(f) for exceptions.

Activities conducted through partnerships.—Once a partnership determines its activities under these rules, the corporation as a partner uses these rules to group those activities with activities conducted directly by the corporation or through other partnerships.

Recharacterization of Passive Income

Under Temporary Regulations section 1.469-2(f) and Regulations section 1.469-2(f), net passive income from certain passive activities must be treated as nonpassive income. Net passive income is the excess of an activity's passive activity gross income over its passive activity deductions (current year deductions and prior year unallowed losses).

Income from the following six sources is subject to recharacterization. Note that any net passive income recharacterized as nonpassive income is treated as investment income for purposes of computing investment interest expense limitations if it is from (a) an activity of renting substantially nondepreciable property from an equity-financed lending activity or (b) an activity related to an interest in a pass-through entity that licenses intangible property.

1. **Significant participation passive activities.**—A significant participation passive activity is any trade or business activity in which the shareholder both participates for more than 100 hours during the tax year and does not materially participate. Because each shareholder must determine his or her level of participation, the corporation will not be able to identify significant participation passive activities.

2. **Certain nondepreciable rental property activities.**—Net passive income from a rental activity is nonpassive income if less than 30% of the unadjusted basis of the property used or held for use by customers in the activity is subject to depreciation under section 167.

3. **Passive equity-financed lending activities.**—If the corporation has net income from a passive equity-financed lending activity, the lesser of the net passive income or equity-financed interest income from the activity is nonpassive income.

Note: The amount of income from the activities in items 1 through 3 above that any shareholder will be required to recharacterize as nonpassive income may

be limited under Temporary Regulations section 1.469-2(f)(8). Because the corporation will not have information regarding all of a shareholder's activities, it must identify all corporate activities meeting the definitions in items 1 through 3 as activities that may be subject to recharacterization.

4. **Rental activities incidental to a development activity.**—Net rental activity income is nonpassive income for a shareholder if all of the following apply: (a) the corporation recognizes gain from the sale, exchange, or other disposition of the rental property during the tax year; (b) the use of the item of property in the rental activity started less than 12 months before the date of disposition (the use of an item of rental property begins on the first day on which (i) the corporation owns an interest in the property, (ii) substantially all of the property is either rented or held out for rent and ready to be rented, and (iii) no significant value-enhancing services remain to be performed); and (c) the shareholder materially participated or significantly participated for any tax year in an activity that involved the performance of services for the purpose of enhancing the value of the property (or any other item of property, if the basis of the property disposed of is determined in whole or in part by reference to the basis of that item of property). Net rental activity income is the excess of passive activity gross income from renting or disposing of property over passive activity deductions (current year deductions and prior year unallowed losses) that are reasonably allocable to the rented property.

Because the corporation cannot determine a shareholder's level of participation, the corporation must identify net income from property described in items (a) and (b) above as income that may be subject to recharacterization.

5. **Activities involving property rented to a nonpassive activity.**—If a taxpayer rents property to a trade or business activity in which the taxpayer materially participates, the taxpayer's net rental activity income from the property is nonpassive income. Net rental activity income is the excess of passive activity gross income from renting or disposing of property over passive activity deductions (current year deductions and prior year unallowed losses) that are reasonably allocable to the rented property.

6. **Acquisition of an interest in a pass-through entity that licenses intangible property.**—Generally, net royalty income from intangible property is nonpassive income if the taxpayer acquired an interest in the pass-through entity after it created the intangible property or performed substantial services or incurred substantial costs in developing or marketing the intangible property. Net royalty income is the excess of passive activity gross income from licensing or transferring any right in intangible property over passive activity deductions (current year deductions and prior year unallowed losses) that are reasonably allocable to the intangible property.

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See Temporary Regulations section 1.469-2(f)(7)(ii) for exceptions to this rule.

Passive Activity Reporting Requirements

To allow shareholders to correctly apply the passive activity loss and credit limitation rules, any corporation that carries on more than one activity must:

1. Provide an attachment for each activity conducted through the corporation that identifies the type of activity conducted (trade or business, rental real estate, rental activity other than rental real estate, or investment).
2. On the attachment for each activity, provide a schedule, using the same line numbers as shown on Schedule K-1, detailing the net income (loss), credits, and all items required to be separately stated under section 1366(a)(1) from each trade or business activity, from each rental real estate activity, from each rental activity other than a rental real estate activity, and from investments.

3. Identify the net income (loss) and the shareholder's share of corporation interest expense from each activity of renting a dwelling unit that the shareholder also uses for personal purposes during the year for more than the greater of 14 days or 10% of the number of days that the residence is rented at fair rental value.

4. Identify the net income (loss) and the shareholder's share of interest expense from each activity of trading personal property conducted through the corporation.

5. For any gain (loss) from the disposition of an interest in an activity or an interest in property used in an activity (including dispositions before 1987 from which gain is being recognized after 1986):

- a. Identify the activity in which the property was used at the time of disposition;
- b. If the property was used in more than one activity during the 12 months preceding the disposition, identify the activities in which the property was used and the adjusted basis allocated to each activity; and
- c. For gains only, if the property was substantially appreciated at the time of the disposition and the applicable holding period specified in Regulations section 1.469-2(c)(2)(iii)(A) was not satisfied, identify the amount of the nonpassive gain and indicate whether or not the gain is investment income under Regulations section 1.469-2(c)(2)(iii)(F).

6. Specify the amount of gross portfolio income, the interest expense property allocable to portfolio income, and expenses other than interest expense that are clearly and directly allocable to portfolio income.

7. Identify the ratable portion of any section 481 adjustment (whether a net positive or a net negative adjustment) allocable to each corporate activity.

8. Identify any gross income from sources specifically excluded from passive

activity gross income, including income from intangible property if the shareholder is an individual and the shareholder's personal efforts significantly contributed to the creation of the property; income from a qualified low-income housing project (as defined in section 502 of the Tax Reform Act of 1986) conducted through the corporation; income from state, local, or foreign income tax refunds; and income from a covenant not to compete (in the case of a shareholder who is an individual and who contributed the covenant to the corporation).

9. Identify any deductions that are not passive activity deductions.

10. If the corporation makes a full or partial disposition of its interest in another entity, identify the gain (loss) allocable to each activity conducted through the entity, and the gain allocable to a passive activity that would have been recharacterized as nonpassive gain had the corporation disposed of its interest in property used in the activity (because the property was substantially appreciated at the time of the disposition, and the gain represented more than 10% of the shareholder's total gain from the disposition).

11. Identify the following items that may be subject to the recharacterization rules under Temporary Regulations section 1.469-2(f) and Regulations section 1.469-2(f):

- a. Net income from an activity of renting substantially nondepreciable property;
 - b. The lesser of equity-financed interest income or net passive income from an equity-financed lending activity;
 - c. Net rental activity income from property developed (by the shareholder or the corporation), rented, and sold within 12 months after the rental of the property commenced;
 - d. Net rental activity income from the rental of property by the corporation to a trade or business activity in which the shareholder had an interest (either directly or indirectly); and
 - e. Net royalty income from intangible property if the shareholder acquired the shareholder's interest in the corporation after the corporation created the intangible property or performed substantial services or incurred substantial costs in developing or marketing the intangible property.
12. Identify separately the credits from each activity conducted by or through the corporation.

Specific Instructions

General Information

Name, Address, and Employer Identification Number

Use the label on the package that was mailed to the corporation. Cross out any errors and print the correct information on the label.

If the corporation did not receive a label, print or type the corporation's true name

(as set forth in the corporate charter or other legal document creating it), address, and employer identification number on the appropriate lines.

Include the suite, room, or other unit number after the street address. If a preaddressed label is used, please include the information on the label. If the Post Office does not deliver to the street address and the corporation has a P.O. box, show the box number instead of the street address.

If the corporation changes its mailing address after filing its return, it can notify the IRS by filing Form 8822, Change of Address.

Item B—Business Code No.

See Codes for Principal Business Activity on page 23 of these instructions.

Item E—Total Assets

Enter the corporation's total assets at the end of the tax year, as determined by the accounting method regularly used in maintaining the corporation's books and records. If there are no assets at the end of the tax year, enter the total assets as of the beginning of the tax year.

Item F—Initial Return, Final Return, Change in Address, and Amended Return

If this is the corporation's first return, check box F(1). If the corporation has ceased to exist, check box F(2). Also check box D(1) on each Schedule K-1 to indicate that it is a final Schedule K-1. Indicate a change in address by checking box F(3). If this amends a previously filed return, check box F(4). If Schedules K-1 are also being amended, check box D(2) on each Schedule K-1.

Item G—Consolidated Audit Procedures

With certain exceptions, the tax treatment of S corporation items is determined at the corporate level in a consolidated audit proceeding, rather than in separate proceedings with individual shareholders. Check the box for item G if any of the following apply.

- The S corporation had more than five shareholders at any time during the tax year (for this purpose a husband and wife, and their estates, are treated as one shareholder).
- Any shareholder was other than a natural person or estate.
- The small S corporation (five or fewer shareholders) has elected as provided in Temporary Regulations section 301.6241-1T(c)(2)(v) to be subject to the rules for consolidated proceedings.

Note: The S corporation does not make the section 301.6241-1T(c)(2)(v) election when it checks the box for item G. This election must be made separately.

For more information on the consolidated audit procedures for S corporations, see sections 6241 through 6245, Temporary Regulations section

301.6241-1T, and Pub. 556, Examination of Returns, Appeal Rights, and Claims for Refund.

Income

Caution: Report only trade or business activity income or loss on lines 1a through 6. Do not report rental activity income or portfolio income or loss on these lines. (See the instructions on Passive Activity Limitations beginning on page 5 for definitions of rental income and portfolio income.) Rental activity income and portfolio income are reported on Schedules K and K-1 (rental real estate activities are also reported on Form 8825).

Do not include any tax-exempt income on lines 1 through 5. A corporation that receives any exempt income other than interest, or holds any property or engages in an activity that produces exempt income, reports the amount of this income on line 18 of Schedules K and K-1.

Tax-exempt interest income, including exempt-interest dividends received as a shareholder in a mutual fund or other regulated investment company, is reported on line 17 of Schedules K and K-1.

See Deductions below for information on how to report expenses related to tax-exempt income.

Line 1—Gross Receipts or Sales

Enter gross receipts or sales from all trade or business operations except those you report on lines 4 and 5. For reporting advance payments, see Regulations section 1.451-5. To report income from long-term contracts, see section 460.

Installment sales.—Generally, the installment method cannot be used for dealer dispositions of property. A dealer disposition is any disposition of personal property by a person who regularly sells or otherwise disposes of property of the same type on the installment plan or any disposition of real property held for sale to customers in the ordinary course of the taxpayer's trade or business. The disposition of property used or produced in the farming business is not included as a dealer disposition. See section 453(f) for details and exceptions.

Enter on line 1a the gross profit on collections from installment sales for any of the following:

- Dealer dispositions of property before March 1, 1986.
- Dispositions of property used or produced in the trade or business of farming.
- Certain dispositions of timeshares and residential lots reported under the installment method.

Attach a schedule showing the following information for the current and the 3 preceding years: (a) gross sales, (b) cost of goods sold, (c) gross profits, (d) percentage of gross profits to gross sales, (e) amount collected, and (f) gross profit on the amount collected.

Line 2—Cost of Goods Sold

See the instructions for Schedule A.

Line 4—Net Gain (Loss) From Form 4797

Caution: Include only ordinary gains or losses from the sale, exchange, or involuntary conversion of assets used in a trade or business activity. Ordinary gains or losses from the sale, exchange, or involuntary conversions of assets used in rental activities must be reported separately on Schedule K as part of the net income (loss) from the rental activity in which the property was used.

A corporation that is a partner in a partnership must include on Form 4797, Sales of Business Property, its share of ordinary gains (losses) from sales, exchanges, or involuntary or compulsory conversions (other than casualties or thefts) of the partnership's trade or business assets.

Do not include any recapture of the section 179 expense deduction. See the instructions for Schedule K-1, line 23, item 4, and the Instructions for Form 4797 for more information.

Line 5—Other Income (Loss)

Enter on line 5 trade or business income (loss) that is not included on lines 1a through 4. Examples of such income include:

1. Interest income derived in the ordinary course of the corporation's trade or business, such as interest charged on receivable balances;
2. Recoveries of bad debts deducted in earlier years under the specific charge-off method;
3. Taxable income from insurance proceeds;
4. The amount of credit figured on Form 6478, Credit for Alcohol Used as Fuel; and
5. All section 481 income adjustments resulting from changes in accounting methods.

Show the computation of the section 481 adjustment on an attached schedule.

The corporation must include as other income the recapture amount for section 280F if the business use of listed property drops to 50% or less. To figure the recapture amount, the corporation must complete Part V of Form 4797.

Do not include items requiring separate computations by shareholders that must be reported on Schedules K and K-1. See the instructions for Schedules K and K-1 beginning on page 14.

If "other income" consists of only one item, identify it by showing the account caption in parentheses on line 5. A separate schedule need not be attached to the return in this case.

Do not net any expense item (such as interest) with a similar income item. Report all trade or business expenses on lines 7 through 19.

Deductions

Caution: Report only trade or business activity expenses on lines 7 through 19.

Do not report rental activity expenses or deductions allocable to portfolio income on these lines. Rental activity expenses are separately reported on Form 8825 or line 3 of Schedules K and K-1. Deductions allocable to portfolio income are separately reported on line 9 of Schedules K and K-1. See Passive Activity Limitations beginning on page 5 for more information on rental activities and portfolio income.

Do not report any nondeductible amounts (such as expenses connected with the production of tax-exempt income) on lines 7 through 19. Instead, report nondeductible expenses on line 19 of Schedules K and K-1. If an expense is connected with both taxable income and nontaxable income, allocate a reasonable part of the expense to each kind of income.

Limitations on Deductions

Section 263A uniform capitalization rules.

—The uniform capitalization rules of section 263A require corporations to capitalize or include in inventory certain costs incurred in connection with the production of real and personal tangible property held in inventory or held for sale in the ordinary course of business. Tangible personal property produced by a corporation includes a film, sound recording, video tape, book, or similar property. The rules also apply to personal property (tangible and intangible) acquired for resale. Corporations subject to the rules are required to capitalize not only direct costs but an allocable portion of most indirect costs (including taxes) that benefit the assets produced or acquired for resale. Interest expense paid or incurred during the production period of certain property must be capitalized and is governed by special rules. For more information, see Notice 88-99, 1988-2 C.B. 422. The uniform capitalization rules also apply to the production of property constructed or improved by a corporation for use in its trade or business or in an activity engaged in for profit.

Section 263A does not apply to personal property acquired for resale if the taxpayer's annual average gross receipts are \$10 million or less. It does not apply to timber or to most property produced under a long-term contract. Special rules apply to certain corporations engaged in farming (see below). The rules do not apply to property produced for use by the taxpayer if substantial construction occurred before March 1, 1986.

In the case of inventory, some of the indirect costs that must be capitalized are administration expenses; taxes; depreciation; insurance; compensation paid to officers attributable to services; rework labor; and contributions to pension, stock bonus, and certain profit-sharing, annuity, or deferred compensation plans. The costs required to be capitalized under section 263A are not deductible until

the property to which the costs relate is sold, used, or otherwise disposed of by the corporation.

Research and experimental costs under section 174, intangible drilling costs for oil and gas and geothermal property, and mining exploration and development costs are separately reported to shareholders for purposes of determinations under section 59(e). Temporary Regulations section 1.263A-1T specifies other indirect costs that may be currently deducted and those that must be capitalized with respect to production or resale activities. For more information, see Temporary Regulations section 1.263A-1T; Notice 88-86, 1988-2 C.B. 401; and Notice 89-67, 1989-1 C.B. 723.

Special rules for certain corporations engaged in farming.

—For S corporations not required to use the accrual method of accounting, the rules of section 263A do not apply to expenses of raising any (a) animal or (b) plant that has a preproductive period of 2 years or less. Shareholders of S corporations not required to use the accrual method of accounting may elect to currently deduct the preproductive period expenses of certain plants that have a preproductive period of more than 2 years. Because the election to deduct these expenses is made by the shareholder, the farming corporation should not capitalize such preproductive expenses but should separately report these expenses on line 21 of Schedule K, and each shareholder's share on line 23 of Schedule K-1. See sections 263A(d) and (e) and Temporary Regulations section 1.263A-1T(c) for definitions and other details. Also see Notice 88-24, 1988-1 C.B. 491 and Notice 89-67.

Transactions between related taxpayers.

—Generally, an accrual basis S corporation may deduct business expenses and interest owed to a related party (including any shareholder) only in the tax year of the corporation that includes the day on which the payment is includable in the income of the related party. See section 267 for details.

Section 291 limitations.—If the S corporation was a C corporation for any of the 3 immediately preceding years, the corporation may be required to adjust deductions allowed to the corporation for depletion of iron ore and coal, and the amortizable basis of pollution control facilities. See section 291 to determine the amount of the adjustment.

Business start-up expenses.—Business start-up expenses must be capitalized. An election may be made to amortize them over a period of not less than 60 months. See section 195.

Line 7—Compensation of Officers

Enter on line 7 the total compensation of all officers paid or incurred in the trade or business activities of the corporation, including fringe benefit expenditures made on behalf of officers owning more than 2% of the corporation's stock. Also report these fringe benefits as wages in box 10 of Form W-2 (1992). Do not include on line 7

amounts paid or incurred for fringe benefits of officers owning 2% or less of the corporation's stock. These amounts are reported on line 18, page 1, of Form 1120S. See the instructions for that line for information on the types of expenditures that are treated as fringe benefits and for the stock ownership rules.

Report amounts paid for health insurance coverage for a more than 2% shareholder (including that shareholder's spouse and dependents) as an information item in box 18 of that shareholder's Form W-2 (1992). State separately:

- Amounts paid before July 1, 1992, for coverage before that date; and
- Amounts paid after June 30, 1992, or amounts paid for coverage after that date.

A more than 2% shareholder may be allowed to deduct on Form 1040, line 26, up to 25% of the amounts paid before July 1, 1992, for coverage before that date.

Do not include on line 7 compensation reported elsewhere on the return, such as amounts included in cost of goods sold, elective contributions to a section 401(k) cash or deferred arrangement, or amounts contributed under a salary reduction SEP agreement.

Line 8—Salaries and Wages

Enter on line 8a the amount of salaries and wages paid or incurred for the tax year, including fringe benefit expenditures made on behalf of employees (other than officers) owning more than 2% of the corporation's stock. Also report these fringe benefits as wages in box 10 of Form W-2 (1992). Do not include on line 8a amounts paid or incurred for fringe benefits of employees owning 2% or less of the corporation's stock. These amounts are reported on line 18, page 1, of Form 1120S. See the instructions for that line for information on the types of expenditures that are treated as fringe benefits and for the stock ownership rules.

Report amounts paid for health insurance coverage for a more than 2% shareholder (including that shareholder's spouse and dependents) as an information item in box 18 of that shareholder's Form W-2 (1992). State separately:

- Amounts paid before July 1, 1992, for coverage before that date; and
- Amounts paid after June 30, 1992, or amounts paid for coverage after that date.

A more than 2% shareholder may be allowed to deduct on Form 1040, line 26, up to 25% of the amounts paid before July 1, 1992, for coverage before that date.

Do not include on line 8a salaries and wages reported elsewhere on the return, such as amounts included in cost of goods sold, elective contributions to a section 401(k) cash or deferred arrangement, or amounts contributed under a salary reduction SEP agreement.

Enter on line 8b the applicable jobs credit from Form 5884, Jobs Credit. See the instructions for Form 5884 for more information.

If a shareholder or a member of the family of one or more shareholders of the corporation renders services or furnishes capital to the corporation for which reasonable compensation is not paid, the IRS may make adjustments in the items taken into account by such individuals and the value of such services or capital. See section 1366(e).

Line 9—Repairs

Enter the cost of incidental repairs, such as labor and supplies, that do not add to the value of the property or appreciably prolong its life, but only to the extent that such repairs relate to a trade or business activity and are not claimed elsewhere on the return. New buildings, machinery, or permanent improvements that increase the value of the property are not deductible. They are chargeable to capital accounts and may be depreciated or amortized.

Line 10—Bad Debts

Enter the total debts that became worthless in whole or in part during the year, but only to the extent such debts relate to a trade or business activity. **Caution:** Cash method taxpayers cannot take a bad debt deduction unless the amount was previously included in income.

Line 11—Rents

If the corporation rented or leased a vehicle, enter the total annual rent or lease expense paid or incurred in the trade or business activities of the corporation. Also complete Part V of Form 4562, Depreciation and Amortization. If the corporation leased a vehicle for a term of 30 days or more, the deduction for vehicle lease expense may have to be reduced by an amount called the inclusion amount. The corporation may have an inclusion amount if—

And the vehicle's fair market value on the first day of the lease exceeded:

The lease term began:	
After 12/31/91	\$14,000
After 12/31/90 but before 1/1/92	\$13,400
After 12/31/86 but before 1/1/91	\$12,800

If the lease term began after June 18, 1984, but before January 1, 1987, get Pub. 917, Business Use of a Car, to find out if the corporation has an inclusion amount.

See Pub. 917 for instructions on figuring the inclusion amount.

Line 12—Taxes

Enter taxes paid or incurred in the trade or business activities of the corporation, if not reflected in cost of goods sold. Federal import duties and Federal excise and stamp taxes are deductible only if paid or incurred in carrying on the trade or business of the corporation.

Do not deduct taxes, including state and local sales taxes, paid or accrued in connection with the acquisition or disposition of business property. These taxes must be added to the cost of the property, or in the case of a disposition,

subtracted from the amount realized. See section 164.

Do not deduct taxes assessed against local benefits that increase the value of the property assessed (such as for paving, etc.). Federal income taxes, or taxes reported elsewhere on the return.

Do not deduct section 901 foreign taxes. These taxes are reported separately on line 15e, Schedule K.

Do not report on line 12 taxes allocable to portfolio income or to a rental activity. Taxes allocable to a real estate activity are reported on Form 8825. Taxes allocable to a rental activity other than a real estate rental activity are reported on line 3b of Schedule K. Taxes allocable to portfolio income are reported on line 9 of Schedules K and K-1.

Do not deduct on line 12 taxes paid or incurred for the production or collection of income, or for the management, conservation, or maintenance of property held to produce income. Report these taxes separately on line 10 of Schedules K and K-1.

See section 263A(a) for information on capitalization of allocable costs (including taxes) for any property.

Line 13—Interest

Include on line 13 only interest incurred in the trade or business activities of the corporation that is not claimed elsewhere on the return.

Do not include interest expense on debt used to purchase rental property or debt used in a rental activity. Interest allocable to a rental real estate activity is reported on Form 8825 and is used in arriving at net income (loss) from rental real estate activities on line 2 of Schedules K and K-1. Interest allocable to a rental activity other than a rental real estate activity is included on line 3b of Schedule K and is used in arriving at net income (loss) from a rental activity (other than a rental real estate activity). This net amount is reported on line 3c of Schedule K and line 3 of Schedule K-1.

Do not include interest expense clearly and directly allocable to portfolio or investment income. This interest expense is reported separately on line 11a of Schedule K.

Do not include interest on debt proceeds allocated to distributions made to shareholders during the tax year. Instead, report such interest on line 10 of Schedules K and K-1. To determine the amount to allocate to distributions to shareholders, see Notice 89-35, 1989-1 C.B. 675.

Do not include interest expense on debt required to be allocated to the production of qualified property. Interest allocable to certain property produced by an S corporation for its own use or for sale must be capitalized. The corporation must also capitalize any interest on debt that is allocable to an asset used to produce the above property. A shareholder may have to capitalize interest that the shareholder incurs during the tax year for the

production expenditures of the S corporation. Similarly, interest incurred by an S corporation may have to be capitalized by a shareholder for the shareholder's own production expenditures. The information required by the shareholder to properly capitalize interest for this purpose must be provided by the corporation in an attachment for line 23 of Schedule K-1 (see the instructions for Schedule K-1, line 23, item 10). See section 263A(f) and Notice 88-99, 1988-2 C.B. 422, for additional information.

Temporary Regulations section 1.163-8T gives rules for allocating interest expense among activities so that the limitations on passive activity losses, investment interest, and personal interest can be properly figured. Generally, interest expense is allocated in the same manner as debt is allocated. Debt is allocated by tracing disbursements of the debt proceeds to specific expenditures. These regulations give rules for tracing debt proceeds to expenditures.

Generally, prepaid interest can only be deducted over the period to which the prepayment applies. See section 461(g) for details.

Line 14—Depreciation

Enter on line 14a only the depreciation claimed on assets used in a trade or business activity. See the Instructions for Form 4562 or Pub. 534, Depreciation, to figure the amount of depreciation to enter on this line. Complete and attach Form 4562 only if the corporation placed property in service during 1992 or claims depreciation on any car or other listed property.

Do not include any section 179 expense deduction on this line. This amount is not deductible by the corporation. Instead, it is passed through to the shareholders on line 8 of Schedule K-1.

Line 15—Depletion

If the corporation claims a deduction for timber depletion, complete and attach Form T, Forest Industries Schedules.

Caution: Do not report depletion deductions for oil and gas properties on this line. Each shareholder figures depletion on these properties under section 613A(c)(1). See the instructions for line 23 of Schedule K-1 for information on oil and gas depletion that must be supplied to the shareholders by the corporation.

Line 17—Pension, Profit-Sharing, etc., Plans

Enter the deductible contributions not claimed elsewhere on the return made by the corporation for its employees under a qualified pension, profit-sharing, annuity, or simplified employee pension (SEP) plan, and under any other deferred compensation plan.

If the corporation contributes to an individual retirement arrangement (IRA) for employees, include the contribution in salaries and wages on page 1, line 8a, or Schedule A, line 3, and not on line 17.

Employers who maintain a pension, profit-sharing, or other funded deferred compensation plan, whether or not qualified under the Internal Revenue Code and whether or not a deduction is claimed for the current tax year, generally are required to file one of the forms listed below:

Form 5500, Annual Return/Report of Employee Benefit Plan (with 100 or more participants).

Form 5500-C/R, Return/Report of Employee Benefit Plan (with fewer than 100 participants).

Form 5500EZ, Annual Return of One-Participant (Owners and Their Spouses) Pension Benefit Plan. Complete this form for a one-participant plan.

There are penalties for failure to file these forms on time and for overstating the pension plan deduction.

Line 18—Employee Benefit Programs

Enter amounts for fringe benefits paid or incurred on behalf of employees owning 2% or less of the corporation's stock. These fringe benefits include (a) up to \$5,000 paid by reason of an employee's death to his estate or beneficiary, (b) employer contributions to certain accident and health plans, (c) the cost of up to \$50,000 of group-term life insurance on an employee's life, and (d) meals and lodging furnished for the employer's convenience.

Do not deduct amounts that are an incidental part of a pension, profit-sharing, etc., plan included on line 17 or amounts reported elsewhere on the return.

Report amounts paid on behalf of more than 2% shareholders on line 7 or 8, whichever applies. A shareholder is considered to own more than 2% of the corporation's stock if that person owns on any day during the tax year more than 2% of the outstanding stock of the corporation or stock possessing more than 2% of the combined voting power of all stock of the corporation. See section 318 for attribution rules.

Line 19—Other Deductions

Attach your own schedule listing by type and amount all allowable deductions.

Worksheet for Line 22a

1. Enter gross receipts for the tax year (see section 1362(d)(3)(C) for gross receipts from the sale of capital assets) _____
2. Enter passive investment income as defined in section 1362(d)(3)(D) _____
3. Enter 25% of line 1 (if line 2 is less than line 3, stop here. You are not liable for this tax.) _____

related to a trade or business activity for which there is no separate line on page 1 of Form 1120S. Enter the total on this line. Do not include items that must be reported separately on Schedules K and K-1.

An S corporation may not take the deduction for net operating losses provided by section 172 or the special deductions in sections 241 through 249 (except the election to amortize organizational expenditures under section 248). Subject to limitations, the corporation's net operating loss is allowed as a deduction from the shareholders' gross income. See section 1366.

Do not include qualified expenditures to which an election under section 59(e) may apply. See instructions for lines 16a and 16b of Schedule K-1 for details on treatment of these items.

Include on line 19 the deduction taken for amortization. See instructions for Form 4562 for more information. Complete and attach Form 4562 if the corporation is claiming amortization of costs that begin during its 1992 tax year.

Section 464(f) limits the deduction for certain expenditures of S corporations engaged in farming that use the cash method of accounting, and whose prepaid expenses for feed, seed, fertilizer, and other farm supplies, and the cost of poultry are more than 50% of other deductible farming expenses. Generally, any excess (amount over 50%) may be deducted only in the tax year the items are actually used or consumed. See section 464(f) for more information.

Generally, the corporation can deduct only 80% of the amount otherwise allowable for meals and entertainment expenses paid or incurred in its trade or business. In addition, meals must not be lavish or extravagant; a bona fide business discussion must occur during, immediately before, or immediately after the meal; and an employee of the corporation must be present at the meal. See section 274(n)(2) for exceptions.

Additional limitations apply to deductions for gifts, skybox rentals, luxury water travel, convention expenses, and entertainment tickets. See section 274 and

Pub. 463, Travel, Entertainment, and Gift Expenses, for details.

Generally, a corporation can deduct all other ordinary and necessary travel and entertainment expenses paid or incurred in its trade or business. However, it cannot deduct an expense paid or incurred for a facility (such as a yacht or hunting lodge) used for an activity usually considered entertainment, amusement, or recreation. **Note:** The corporation may be able to deduct the expense if the amount is treated as compensation and reported on Form W-2 for an employee or on Form 1099-MISC for an independent contractor.

Do not deduct penalties imposed on the corporation such as those included in the General Instruction on Interest and Penalties.

Line 21—Ordinary Income (Loss)

This is nonseparately computed income or loss as defined in section 1366(a)(2) attributable to trade or business activities of the corporation. This income or loss is entered on line 1 of Schedule K.

Line 21 income is not used in figuring the tax on line 22a or 22b. See the instructions for line 22a for figuring taxable income for purposes of line 22a or 22b tax.

Line 22a—Excess Net Passive Income Tax

If the corporation has always been an S corporation, the excess net passive income tax does not apply to the corporation. If the corporation has subchapter C earnings and profits (defined in section 1362(d)(3)(B)) at the close of its tax year, has passive investment income for the tax year that is in excess of 25% of gross receipts, and has taxable income at year end, the corporation must pay a tax on the excess net passive income. Complete lines 1 through 3 and line 9 of the worksheet below to make this determination. If line 2 is greater than line 3 and the corporation has taxable income (see instructions for line 9 of worksheet), it must pay the tax. Complete a separate schedule using the format of lines 1 through 11 of the worksheet below to figure the tax. Enter the tax on line 22a.

4. Excess passive investment income—Subtract line 3 from line 2 _____
5. Enter deductions directly connected with the production of income on line 2 (see section 1375(b)(2)) _____
6. Net passive income—Subtract line 5 from line 2 _____
7. Divide amount on line 4 by amount on line 2 _____ %
8. Excess net passive income—Multiply line 6 by line 7 _____
9. Enter taxable income (see instructions for "taxable income below") _____
10. Enter smaller of line 8 or line 9 _____
11. Excess net passive income tax—Enter 34% of line 10. Enter here and on line 22a, page 1, Form 1120S _____

*Income and deductions on lines 1, 2, and 5 are from total operations for the tax year. This includes applicable income and expenses from page 1, Form 1120S, as well as those reported separately on Schedule K. See sections 1362(d)(3)(D) and 1375(b)(4) for exceptions regarding lines 2 and 5.

Line 9 of Worksheet—Taxable income.

Line 9 taxable income is defined in Regulations section 1.1374-1A(d). Figure this income by completing lines 1 through 28 of Form 1120, U.S. Corporation Income Tax Return. Include the Form 1120 computation with the worksheet computation you attach to Form 1120S. You do not have to attach the schedules, etc., called for on Form 1120. However, you may want to complete certain Form 1120 schedules, such as Schedule D (Form 1120), if you have capital gains or losses.

page 1, Form 1120S, and attach the computation schedule to Form 1120S.

Reduce each item of passive income passed through to shareholders by its portion of tax on line 22a. See section 1366(f)(3).

Line 22b—Tax From Schedule D (Form 1120S)

If the corporation elected to be an S corporation before 1987 (or elected to be an S corporation during 1987 or 1988 and qualifies for transitional relief from the built-in gains tax), see instructions for Part III of Schedule D (Form 1120S) to determine if the corporation is liable for the capital gains tax.

If the corporation made its election to be an S corporation after 1986, see the instructions for Part IV of Schedule D to determine if the corporation is liable for the built-in gains tax.

Note: For purposes of line 19 of Part III and line 25 of Part IV of Schedule D, taxable income is defined in section 1375(b)(1)(B) and is generally figured in the same manner as taxable income for line 9 of the line 22a worksheet on page 12.

Line 22c

Include in the total for line 22c the following:

Investment credit recapture tax.—Section 1371(d) provides that an S corporation is liable for investment credit recapture attributable to credits allowed for tax years for which the corporation was not an S corporation.

Figure the corporation's investment credit recapture tax by completing Form 4255, Recapture of Investment Credit. Include the tax in the total amount to be entered on line 22c. Write to the left of the line 22c total the amount of recapture tax and the words "Tax From Form 4255," and attach Form 4255 to Form 1120S.

LIFO recapture tax.—If the corporation used the LIFO inventory pricing method for its last tax year as a C corporation, the corporation may be liable for the additional tax due to LIFO recapture under section 1363(d).

The LIFO recapture tax is figured for the last tax year the corporation was a C corporation. See the instructions for Forms 1120 and 1120-A for details. The LIFO tax is paid in four equal installments. The first installment is due with the corporation's Form 1120 (or 1120-A) for the corporation's last tax year as a C corporation, and each of the remaining installments is paid with the corporation's Form 1120S for the 3 succeeding tax years. Include this year's installment in the total amount to be entered on line 22c. Write to the left of the total on line 22c the installment amount and the words "LIFO tax."

Interest due under the look-back method for completed long-term contracts.—If the corporation completed Form 8697, Interest Computation Under the Look-Back Method for Completed Long-Term Contracts, and owes interest,

write to the left of the line 22c total the amount of interest and "From Form 8697." Attach the completed form to Form 1120S.

Line 23d

If the S corporation is a beneficiary of a trust and the trust makes a section 643(g) election to credit its estimated tax overpayments to its beneficiaries, include the corporation's share of the overpayment (reported to the corporation on Schedule K-1 (Form 1041)) in the total amount entered on line 23d. Also, to the left of line 23d, write "T" and the amount of the overpayment.

Line 24—Estimated Tax Penalty

A corporation that fails to make estimated tax payments when due may be subject to an underpayment penalty for the period of underpayment. Use Form 2220, Underpayment of Estimated Tax by Corporations, to see if the corporation owes a penalty and to figure the amount of the penalty. If you attach Form 2220 to Form 1120S, be sure to check the box on line 24 and enter the amount of any penalty on this line.

Schedule A—Cost of Goods Sold

Section 263A Uniform Capitalization Rules

The uniform capitalization rules of section 263A are discussed under Limitations on Deductions on page 10. See those instructions before completing Schedule A.

Line 4—Additional Section 263A Costs

An entry is required on this line only for corporations that have elected a simplified method of accounting. For corporations that have elected the simplified production method, additional section 263A costs are generally those costs, other than interest, that were not capitalized or included in inventory costs under the corporation's method of accounting immediately prior to the effective date in Temporary Regulations section 1.263A-1T that are now required to be capitalized under section 263A.

For corporations that have elected a simplified resale method, additional section 263A costs are generally those costs incurred with respect to the following categories: off-site storage or warehousing; purchasing; handling, processing, assembly, and repackaging; and general and administrative costs (mixed service costs). Enter on line 4 the balance of section 263A costs paid or incurred during the tax year not included on lines 2, 3, and 5. See Temporary Regulations section 1.263A-1T for more information.

Line 5—Other Costs

Enter on line 5 any other inventoriable costs paid or incurred during the tax year not entered on lines 2 through 4.

Line 7—Inventory at End of Year

See Temporary Regulations section 1.263A-1T for details on figuring the amount of additional section 263A costs to be capitalized and added to ending inventory.

Lines 9a through 9e—Inventory Valuation Methods

Inventories can be valued at (a) cost, (b) cost or market value (whichever is lower), or (c) any other method approved by the IRS that conforms to the provisions of the applicable regulations.

Corporations that use erroneous valuation methods must change to a method permitted for Federal income tax purposes. To make this change, use Form 3115.

On line 9a, check the method(s) used for valuing inventories. Under "lower of cost or market," market generally applies to normal market conditions when there is a current bid price prevailing at the date the inventory is valued. When no regular open market exists or when quotations are nominal because of inactive market conditions, use fair market prices from the most reliable sales or purchase transactions that occurred near the date the inventory is valued.

Inventory may be valued below cost when the merchandise is unsalable at normal prices or unusable in the normal way because the goods are "subnormal" due to damage, imperfections, shop wear, etc., within the meaning of Regulations section 1.471-2(c). These goods may be valued at a current bona fide selling price minus direct cost of disposition (but not less than scrap value) if such a price can be established.

If this is the first year the last-in, first-out (LIFO) inventory method was either adopted or extended to inventory goods not previously valued under the LIFO method provided in section 472, attach Form 970, Application To Use LIFO Inventory Method, or a statement with the information required by Form 970. Also, check the LIFO box on line 9b. On line 9c, enter the amount or the percent of total closing inventories covered under section 472. Estimates are acceptable.

If the corporation changed or extended its inventory method to LIFO and has had to "write up" its opening inventory to cost in the year of election, report the effect of this write-up as income (line 5, page 1) proportionately over a 3-year period that begins with the tax year of the election (section 472(d)).

See Pub. 538 for more information on inventory valuation methods.

Schedule B—Other Information

Be sure to answer the questions and provide other information in items 1 through 12.

Line 5—Foreign Financial Accounts

Answer "Yes" to question 5 if either 1 or 2 below apply to the corporation (otherwise, check the "No" box).

1. At any time during calendar year 1992, the corporation had an interest in or signature or other authority over a bank account, securities account, or other financial account in a foreign country; AND

• The combined value of the accounts was more than \$10,000 during the calendar year; AND

• The accounts were NOT with a U.S. military banking facility operated by a U.S. financial institution.

2. The corporation owns more than 50% of the stock in any corporation that would answer the question "Yes" based on item 1 above.

Get form TD F 90-22.1, Report of Foreign Bank and Financial Accounts, to see if the corporation is considered to have an interest in or signature or other authority over a bank account, securities account, or other financial account in a foreign country.

If you answered "Yes" to question 5, file form TD F 90-22.1 by June 30, 1993, with the Department of the Treasury at the address shown on the form. Form TD F 90-22.1 is not a tax return; so do not file it with Form 1120S. Form TD F 90-22.1 may be ordered by calling our toll-free number, 1-800-829-3676.

Line 9

Complete line 9 if the corporation (a) filed its election to be an S corporation after 1986; (b) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation; and (c) has net unrealized built-in gain (defined below) in excess of the net recognized built-in gain from prior years.

The corporation is liable for section 1374 tax if (a), (b), and (c) above apply and it has a net recognized built-in gain (section 1374(d)(2)) for its tax year.

Section 633(d)(8) of the Tax Reform Act of 1986 provides transitional relief from the built-in gains tax for certain corporations that elected to be S corporations in 1987 or 1988. However, the relief rule does not apply to ordinary gains or losses (determined without regard to section 1239), gains or losses from the disposition of capital assets held 6 months or less, and gains from the disposition of any asset acquired by the corporation with a substituted basis if a principal purpose for acquiring the asset was to secure transitional relief from the built-in gains tax. See the instructions for Part IV of Schedule D (Form 1120S) for more information.

The corporation's net unrealized built-in gain is the amount, if any, by which the fair market value of the assets of the corporation at the beginning of its first S

corporation year (as of the date the assets were acquired, for any asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation) exceeds the aggregate adjusted basis of such assets at that time.

Enter on line 9 the corporation's net unrealized built-in gain reduced by the net recognized built-in gain for prior years. See sections 1374(c)(2) and (d)(1).

Line 10

Check the box on line 10 if the corporation was a C corporation in a prior year and has subchapter C earnings and profits (E&P) at the close of its 1992 tax year. For this purpose, subchapter C E&P is E&P of any corporation for any tax year when it was not an S corporation. See sections 1362(d)(3)(B) and 312 for other details. If the corporation has subchapter C E&P, it may be liable for tax imposed on excess net passive income. See the instructions for line 22a, page 1, of Form 1120S for details on this tax.

Questions 11 and 12

Answer questions 11 and 12 for the calendar year 1992, even if the corporation has a fiscal tax year. For example, enter for question 12 the number of months the corporation was in operation during the 12-month period from 1/1/92 to 12/31/92 without regard to when the corporation's tax year begins or ends.

Designation of Tax Matters Person (TMP)

If the S corporation is subject to sections 6241 through 6245 (consolidated audit procedures), it may designate a shareholder as the TMP for the tax year for which the return is filed by completing the Designation of Tax Matters Person section at the bottom of page 2 of Form 1120S. Temporary Regulations section 301.6241-1T provides an exception to the consolidated provisions for small S corporations with five or fewer shareholders each of whom is a natural person or an estate. See Item G—Consolidated Audit Procedures on page 9 for other details.

General Instructions for Schedules K and K-1—Shareholders' Shares of Income, Credits, Deductions, etc.

Purpose of Schedules

The corporation is liable for taxes on lines 22a, b, and c, page 1, Form 1120S. Shareholders are liable for income tax on their shares of the corporation's income (reduced by any taxes paid by the corporation on income) and must include their share of the income on their tax return whether or not it is distributed to them. Unlike most partnership income, S

corporation income is not self-employment income and is not subject to self-employment tax.

Schedule K is a summary schedule of all the shareholder's shares of the corporation's income, deductions, credits, etc. Schedule K-1 shows each shareholder's separate share. A copy of each shareholder's Schedule K-1 must be attached to the Form 1120S filed with the IRS. A copy is kept as a part of the corporation's records, and the corporation must give each shareholder a separate copy.

The total pro rata share items (column (b)) of all Schedules K-1 should equal the amount reported on the same line of Schedule K. Lines 1 through 20 of Schedule K correspond to lines 1 through 20 of Schedule K-1. Other lines do not correspond, but instructions will explain the differences.

Be sure to give each shareholder a copy of the Shareholder's Instructions for Schedule K-1 (Form 1120S). These instructions are available separately from Schedule K-1 at most IRS offices.

Note: Instructions that apply only to line items reported on Schedule K-1 may be prepared and given to each shareholder instead of the instructions printed by the IRS.

Substitute Forms

The corporation does not need IRS approval to use a substitute Schedule K-1 if it is an exact copy of the IRS schedule, or if it contains only those lines the taxpayer is required to use, and the lines have the same numbers and titles and are in the same order as on the IRS Schedule K-1. In either case, the substitute schedule must include the OMB number and either (a) the Shareholder's Instructions for Schedule K-1 (Form 1120S) or (b) instructions that apply to the items reported on Schedule K-1 (Form 1120S).

Other substitute Schedules K-1 require approval. The corporation may apply for approval of a substitute form by writing to Internal Revenue Service, Attention: Substitute Forms Program Coordinator, R/I-F, 1111 Constitution Avenue, NW, Washington, DC 20224.

The corporation may be subject to a penalty if it files a substitute Schedule K-1 that does not conform to the specifications of Rev. Proc. 92-21, 1992-1 C.B. 709.

Shareholder's Pro Rata Share Items

Items of income, loss, deductions, etc., are allocated to a shareholder on a daily basis, according to the number of shares of stock held by the shareholder on each day during the tax year of the corporation. See Item A on page 15.

A transferee shareholder (rather than the transferor) is considered to be the owner of stock on the day it is transferred.

Special rule.—If a shareholder terminates his or her interest in a corporation during

the tax year, the corporation, with the consent of all shareholders (including the one whose interest is terminated), may elect to allocate income and expenses, etc., as if the corporation's tax year consisted of 2 tax years, the first of which ends on the date of the shareholder's termination. To make the election, the corporation must file a statement of election with the return for the tax year of election and attach a statement of consent signed by all shareholders. If the election is made, write "Section 1377(a)(2) Election Made" at the top of each Schedule K-1. See section 1377(a)(2) and Temporary Regulations section 18.1377-1 for details.

Specific Instructions (Schedule K Only)

Enter the total pro rata share amount for each applicable line item on Schedule K.

Specific Instructions (Schedule K-1 Only)

General Information

On each Schedule K-1, complete the date spaces at the top; enter the names, addresses, and identifying numbers of the shareholder and corporation; complete items A through D; and enter the shareholder's pro rata share of each item. Schedule K-1 must be prepared and given to each shareholder on or before the day on which Form 1120S is filed. Note: Space has been provided on line 23 (Supplemental Information) of Schedule K-1 for the corporation to provide additional information to shareholders. This space, if sufficient, should be used in place of any attached schedules required for any lines on Schedule K-1, or other amounts not shown on lines 1 through 22 of Schedule K-1. Please be sure to identify the applicable line number next to the information entered below line 23.

Specific Items

Item A

If there was no change in shareholders or in the relative interest in stock the shareholders owned during the tax year, enter the percentage of total stock owned by each shareholder during the tax year. For example, if shareholders X and Y each owned 50% for the entire tax year, enter 50% in item A for each shareholder. Each shareholder's pro rata share items (lines 1 through 20 of Schedule K-1) are figured by multiplying the Schedule K amount on the corresponding line of Schedule K by the percentage in item A.

If there was a change in shareholders or in the relative interest in stock the shareholders owned during the tax year, each shareholder's percentage of ownership is weighted for the number of days in the tax year that stock was owned. For example, A and B each held 50% for half the tax year and A, B, and C held 40%, 40%, and 20%, respectively, for the

remaining half of the tax year. The percentage of ownership for the year for A, B, and C is figured as follows and is then entered in item A.

	a	b	c (a ÷ b)
	% of total stock owned	% of tax year held	% of ownership for the year
A	50	50	25
	40	50	+20
			45
B	50	50	25
	40	50	+20
			45
C	20	50	10
Total			100%

If there was a change in shareholders or in the relative interest in stock the shareholders owned during the tax year, each shareholder's pro rata share items can also be figured on a daily basis, based on the percentage of stock held by the shareholder on each day. See sections 1377(a)(1) and (2) for details.

Item B

Enter the Internal Revenue Service Center address where the Form 1120S, to which a copy of this K-1 was attached, was or will be filed.

Item C

If the corporation is a registration-required tax shelter, it must enter its tax shelter registration number in item C(1) and identify the type of shelter in C(2). If the corporation invested in a registration-required shelter, the corporation must also attach a copy of its Form 8271 to Schedule K-1. See Form 8271 for a list of the types of tax shelters and for more information.

Special Reporting Requirements for Corporations With Multiple Activities

If items of income, loss, deduction, or credit from more than one activity (determined for purposes of the passive activity loss and credit limitations) are reported on lines 1, 2, or 3 of Schedule K-1 the corporation must provide information for each activity to its shareholders. See **Passive Activity Reporting Requirements** on page 8 for details on the reporting requirements.

Special Reporting Requirements for At-Risk Activities

If the corporation is involved in one or more at-risk activities for which a loss is reported on Schedule K-1, the corporation must report information separately for each at-risk activity. See section 465(c) for a definition of at-risk activities.

For each at-risk activity, the following information must be provided on an attachment to Schedule K-1:

1. A statement that the information is a breakdown of at-risk activity loss amounts.
2. The identity of the at-risk activity; the loss amount for the activity; other income,

deductions; and other information that relates to the activity.

Specific Instructions (Schedules K and K-1, Except as Noted)

Income (Loss)

Reminder: Before entering income items on Schedule K or K-1, be sure to reduce the items of income for the following:

1. **Built-in gains tax (Schedule D, Part IV, line 31).**—Each recognized built-in gain item (within the meaning of section 1374(d)(3)) is reduced by its proportionate share of the built-in gains tax.
2. **Capital gains tax (Schedule D, Part III, line 23).**—The section 1231 gain included on line 5 or 6 of Schedule K is reduced by this tax.
3. **Excess net passive income tax (line 22a, page 1, Form 1120S).**—Each item of passive investment income (within the meaning of section 1362(d)(3)(D)) is reduced by its proportionate share of the net passive income tax.

Line 1—Ordinary Income (Loss) From Trade or Business Activities

Enter the amount from line 21, page 1. Enter the income or loss without reference to (a) shareholders' basis in the stock of the corporation and in any indebtedness of the corporation to the shareholders (section 1366(d)), (b) shareholders' at-risk limitations, and (c) shareholders' passive activity limitations. These limitations, if applicable, are determined at the shareholder level.

If the corporation is involved in more than one trade or business activity see **Passive Activity Reporting Requirements** on page 8 for details on the information to be reported for each activity. If an at-risk activity loss is reported on line 1, see **Special Reporting Requirements for At-Risk Activities** on this page.

Line 2—Net Income (Loss) From Rental Real Estate Activities

Enter the net income or loss from rental real estate activities of the corporation from Form 8825, Rental Real Estate Income and Expenses of a Partnership or an S Corporation. Each Form 8825 has space for reporting the income and expenses of up to eight properties.

If the corporation has income or loss from more than one rental real estate activity reported on line 2, see **Passive Activity Reporting Requirements** on page 8 for details on the information to be reported for each activity. If an at-risk activity loss is reported on line 2, see **Special Reporting Requirements for At-Risk Activities** on this page.

If a loss from a qualified low-income housing project is reported on line 2, identify this loss on a statement attached to the Schedule K-1 of each shareholder who is a qualified investor in the project.

Any loss sustained by a qualified investor in a qualified low-income housing project for any tax year in the relief period is not subject to the passive activity loss limitations under section 502 of the Tax Reform Act of 1986. See Act section 502 for definitions and other information on qualified low-income housing projects.

Line 3—Income and Expenses of Other Rental Activities

Enter on lines 3a and 3b of Schedule K (line 3 of Schedule K-1) the income and expenses of rental activities other than the income and expenses reported on Form 8825. If the corporation has more than one rental activity reported on line 3, see **Passive Activity Reporting Requirements** on page 8 for details on the information to be reported for each activity. If an at-risk activity loss is reported on line 3, see **Special Reporting Requirements for At-Risk Activities** on page 15. Also see **Rental activities** on page 6 for a definition and other details on other rental activities.

Lines 4a Through 4f—Portfolio Income (Loss)

Enter portfolio income (loss) on lines 4a through 4f. See **Portfolio income** on page 7 for a definition of portfolio income. Do not reduce portfolio income by deductions allocated to it. Such deductions (other than interest expense) are reported on line 9 of Schedules K and K-1. Interest expense allocable to portfolio income is generally investment interest expense and is reported on line 11a of Schedules K and K-1.

Lines 4a and 4b.—Enter only taxable interest and dividends that are portfolio income. Interest income derived in the ordinary course of the corporation's trade or business, such as interest charged on receivable balances, is reported on line 5, page 1, Form 1120S. See Temporary Regulations section 1.469-21(c)(3).

Lines 4d and 4e.—Enter on line 4d the net short-term capital gain or loss from line 6 of Schedule D (Form 1120S) that is portfolio income. Enter on line 4e the net long-term capital gain or loss from line 12 of Schedule D (Form 1120S) that is portfolio income. If any gain or loss from lines 6 and 12 of Schedule D is not portfolio income (e.g., gain or loss from the disposition of nondepreciable personal property used in a trade or business), do not report this income or loss on lines 4d and 4e. Instead, report it on line 6 of Schedules K and K-1. If the income or loss is attributable to more than one activity, report the income or loss amount separately for each activity on an attachment to Schedule K-1 and identify the activity to which the income or loss relates.

Line 4f.—Enter any other portfolio income not reported on lines 4a through 4e.

If the corporation holds a residual interest in a REMIC, report on an attachment for line 4f each shareholder's share of taxable income (net loss) from the REMIC (line 1b of Schedule Q (Form 1066)); excess inclusion (line 2c of

Schedule Q (Form 1066)); and section 212 expenses (line 3b of Schedule Q (Form 1066)). Because Schedule Q (Form 1066) is a quarterly statement, the corporation must follow the Schedule Q (Form 1066) Instructions for Residual Holder to figure the amounts to report to shareholders for the corporation's tax year.

Line 5—Net Gain (Loss) Under Section 1231 (Other Than Due to Casualty or Theft)

Enter the gain (loss) under section 1231 shown on line 8 of Form 4797. Do not include net gains or losses from involuntary conversions due to casualties or thefts on this line. Instead, report them on line 6.

Line 6—Other Income (Loss)

Enter any other item of income or loss not included on lines 1 through 5, such as:

1. Recoveries of tax benefit items (section 111).
2. Gambling gains and losses (section 165(d)).
3. Net gain (loss) from involuntary conversions due to casualty or theft. The amount for this item is shown on Form 4684, Casualties and Thefts, line 38a or 38b.

4. Any net gain or loss from section 1256 contracts from Form 6781, Gains and Losses From Section 1256 Contracts and Straddles.

Deductions

Line 7—Charitable Contributions

Enter the amount of charitable contributions paid by the corporation during its tax year. On an attachment to Schedules K and K-1, show separately the dollar amount of contributions subject to each of the 50%, 30%, and 20% of adjusted gross income limits.

If the corporation contributes property other than cash and the deduction claimed for such property exceeds \$500, complete Form 8283, Noncash Charitable Contributions, and attach it to Form 1120S. The corporation must give a copy of its Form 8283 to every shareholder if the deduction for any item or group of similar items of contributed property exceeds \$5,000, even if the amount allocated to any shareholder is \$5,000 or less. If this requirement is not met, the corporation does not have to furnish the shareholders with a copy of its Form 8283. However, the corporation must report each shareholder's pro rata share of the amount of noncash contributions to enable individual shareholders to complete their own Forms 8283. See the Instructions for Form 8283 for more information.

If the corporation made a qualified conservation contribution under section 170(h), also include the fair market value of the underlying property before and after the donation, as well as the type of legal interest contributed, and describe the conservation purpose furthered by the

donation. Give a copy of this information to each shareholder.

Line 8—Section 179 Expense Deduction

An S corporation may elect to expense part of the cost of certain tangible property that the corporation purchased during the tax year for use in its trade or business or certain rental activities. See the instructions for Form 4562 for more information.

Complete Part I of Form 4562 to figure the corporation's section 179 expense deduction. The corporation does not deduct the expense itself but passes the expense through to its shareholders. Attach Form 4562 to Form 1120S and show the total section 179 expense deduction on Schedule K, line 8. Report each individual shareholder's pro rata share on Schedule K-1, line 8. Do not complete line 8 of Schedule K-1 for any shareholder that is an estate or trust.

See the instructions for line 23 of Schedule K-1, item 4, for any recapture of a section 179 amount.

Line 9—Deductions Related to Portfolio Income (Loss)

Enter on line 9 the deductions clearly and directly allocable to portfolio income (other than interest expense). Interest expense related to portfolio income is investment interest expense and is reported on line 11a of Schedules K and K-1. Generally, the line 9 expenses are section 212 expenses and are subject to section 212 limitations at the shareholder level.

Note: No deduction is allowed under section 212 for expenses allocable to a convention, seminar, or similar meeting. Because these expenses are not deductible by shareholders, the corporation does not report these expenses on line 9 or line 10. The expenses are nondeductible and are reported as such on line 19 of Schedules K and K-1.

Line 10—Other Deductions

Enter any other deductions not included on lines 7, 8, 9, and 15e, such as:

- Amounts (other than investment interest required to be reported on line 11a of Schedules K and K-1) paid by the corporation that would be allowed as itemized deductions on a shareholder's income tax return if they were paid directly by a shareholder for the same purpose. These amounts include, but are not limited to, expenses under section 212 for the production of income other than from the corporation's trade or business.
- Any penalty on early withdrawal of savings not reported on line 9 because the corporation withdrew funds from its time savings deposit before its maturity.
- Soil and water conservation expenditures (section 175).
- Expenditures paid or incurred for the removal of architectural and transportation barriers to the elderly and disabled that the

corporation has elected to treat as a current expense. See section 190.

- Interest expense allocated to debt-financed distributions. See Notice 89-35, 1989-1 C.B. 675, for more information.
- If there was a gain (loss) from a casualty or theft to property not used in a trade or business or for income producing purposes, provide each shareholder with the needed information to complete Form 4684.

Investment Interest

Lines 11a and 11b must be completed for all shareholders.

Line 11a—Investment Interest Expense

Include on this line the interest properly allocable to debt on property held for investment purposes. Property held for investment includes property that produces investment income (interest, dividends, annuities, royalties, etc.).

Investment interest expense does not include interest expense allocable to a passive activity.

Report investment interest expense only on line 11a of Schedules K and K-1.

The amount on line 11a will be deducted by individual shareholders on Form 1040 after applying the investment interest expense limitations of section 163(d).

For more information, see Form 4952, Investment Interest Expense Deduction.

Lines 11b(1) and 11b(2)—Investment Income and Expenses

Enter on line 11b(1) only the investment income included on line 4 of Schedule K-1. Do not include net short-term capital loss, net long-term capital loss, or other portfolio losses on this line.

Enter on line 11b(2) only the investment expense included on line 9 of Schedule K-1.

If there are other items of investment income or expense included in the amounts that are required to be passed through separately to the shareholders on Schedule K-1, such as net short-term capital loss, net long-term capital loss, and other portfolio losses, give each shareholder a schedule identifying these amounts.

Investment income includes gross income from property held for investment, gain attributable to the disposition of property held for investment, and other amounts that are gross portfolio income. Generally, investment income and investment expenses do not include any income or expenses from a passive activity. See Regulations section 1.469-2(f)(10) for exceptions.

Property subject to a net lease is not treated as investment property because it is subject to the passive loss rules. Do not reduce investment income by losses from passive activities.

Investment expenses are deductible expenses (other than interest) directly connected with the production of investment income. See the Instructions for Form 4952 for more information on investment income and expenses.

Credits

Note: If the corporation has credits from more than one trade or business activity on line 12a or 13, or from more than one rental activity on line 12b, 12c, 12d, or 12e, it must report separately on an attachment to Schedule K-1, the amount of each credit and provide any other applicable activity information listed in *Passive Activity Reporting Requirements* on page 8.

Line 12a—Credit for Alcohol Used as Fuel

Enter on line 12a of Schedule K the credit for alcohol used as fuel attributable to trade or business activities. Enter on line 12d or 12e the credit for alcohol used as fuel attributable to rental activities. Figure the credit on Form 6478, Credit for Alcohol Used as Fuel, and attach it to Form 1120S. The credit must be included as income on page 1, line 5, of Form 1120S. See section 40(f) for an election the corporation can make to have the credit not apply.

Enter each shareholder's share of the credit for alcohol used as fuel on line 12a, 12d, or 12e of Schedule K-1.

If this credit includes the small ethanol producer credit, identify on a statement attached to each Schedule K-1 (a) the amount of the small producer credit included in the total credit allocated to the shareholder, (b) the number of gallons of qualified ethanol fuel production allocated to the shareholder, and (c) the shareholder's pro rata share in gallons of the corporation's productive capacity for alcohol.

Line 12b—Low-Income Housing Credit

Section 42 provides for a low-income housing credit that may be claimed by owners of low-income residential rental buildings. If shareholders are eligible to claim the low-income housing credit, complete the applicable parts of Form 8586, Low-Income Housing Credit, and attach it to Form 1120S. Enter the credit figured by the corporation on Form 8586, and any low-income housing credit received from other entities in which the corporation is allowed to invest, on the applicable line as explained below. The corporation must also complete and attach Form 8609, Low-Income Housing Credit Allocation Certification, and Schedule A (Form 8609), Annual Statement, to Form 1120S. See the Instructions for Form 8586 and Form 8609 for information on completing these forms.

Note: No credit may be claimed for any building in a qualified low-income housing project for which any person was allowed to claim a loss from the project by reason of not being subject to the passive activity

limitations (see section 502 of the Tax Reform Act of 1986 for details).

Line 12b(1)—If the corporation invested in a partnership to which the provisions of section 420(f)(5) apply, report on line 12b(1) the credit the partnership reported to the corporation on line 13b(1) of Schedule K-1 (Form 1065). If the corporation invested before 1990 in a section 420(f)(5) partnership, also include on this line any credit the partnership reported to the corporation on line 13b(3) of Schedule K-1 (Form 1065).

Line 12b(2)—Report on line 12b(2) any low-income housing credit for property placed in service before 1990 and not reported on line 12b(1). This includes any credit from a building placed in service before 1990 in a project owned by the corporation and any credit from a partnership reported to the corporation on line 13b(2) of Schedule K-1 (Form 1065). Also include on this line any credit from a partnership reported to the corporation on line 13b(4) of Schedule K-1 (Form 1065), if the corporation invested in that partnership before 1990.

Line 12b(3)—If the corporation invested after 1989 in a partnership to which the provisions of section 420(f)(5) apply, report on line 12b(3) the credit the partnership reported to the corporation on line 13b(3) of Schedule K-1 (Form 1065).

Line 12b(4)—Report on line 12b(4) any low-income housing credit for property placed in service after 1989 and not reported on any other line. This includes any credit from a building placed in service after 1989 in a project owned by the corporation and any credit from a partnership reported to the corporation on line 13b(4) of Schedule K-1 (Form 1065), if the corporation invested in that partnership after 1989.

Line 12c—Qualified Rehabilitation Expenditures Related to Rental Real Estate Activities

Enter total qualified rehabilitation expenditures related to rental real estate activities of the corporation. For line 12c of Schedule K, complete the applicable lines of Form 3468, Investment Credit, that apply to qualified rehabilitation expenditures for property related to rental real estate activities of the corporation for which income or loss is reported on line 2 of Schedule K. See Form 3468 for details on qualified rehabilitation expenditures. Attach Form 3468 to Form 1120S.

For line 12c of Schedule K-1, enter each shareholder's pro rata share of the expenditures. On the dotted line to the left of the entry space for line 12c, enter the line number of Form 3468 on which the shareholder should report the expenditures. If there is more than one type of expenditure, or the expenditures are from more than one line 2 activity, report this information separately for each expenditure or activity on an attachment to Schedules K and K-1.

Note: Qualified rehabilitation expenditures not related to rental real estate activities

must be listed separately on line 23 of Schedule K-1.

Line 12d—Credits (Other Than Credits Shown on Lines 12b and 12c) Related to Rental Real Estate Activities

Enter on line 12d any other credit (other than credits on lines 12b and 12c) related to rental real estate activities. On the dotted line to the left of the entry space for line 12d, identify the type of credit. If there is more than one type of credit or the credit is from more than one line 2 activity, report this information separately for each credit or activity on an attachment to Schedules K and K-1. These credits may include any type of credit listed in the instructions for line 13.

Line 12e—Credits Related to Other Rental Activities

Enter on line 12e any credit related to other rental activities for which income or loss is reported on line 3 of Schedules K and K-1. On the dotted line to the left of the entry space for line 12e, identify the type of credit. If there is more than one type of credit or the credit is from more than one line 3 activity, report this information separately for each credit or activity on an attachment to Schedules K and K-1. These credits may include any type of credit listed in the instructions for line 13.

Line 13—Other Credits

Enter on line 13 any other credit (other than credits or expenditures shown or listed for lines 12a through 12e of Schedules K and K-1). On the dotted line to the left of the entry space for line 13, identify the type of credit. If there is more than one type of credit or the credit is from more than one activity, report this information separately for each credit or activity on an attachment to Schedules K and K-1.

The credits to be reported on line 13 and other required attachments follow:

- **Nonconventional source fuel credit.** This credit is figured by the corporation on a separate schedule prepared by the corporation. This computation schedule must also be attached to Form 1120S. See section 29 for computation provisions and other special rules for figuring this credit.
- **Unused investment credit from cooperatives.** If the corporation is a member of a cooperative that passes an unused investment credit through to its members, the credit is in turn passed through to the corporation's shareholders.
- **Credit for backup withholding on dividends, interest, or patronage dividends.**
- **Credit for increasing research activities and orphan drug credit.** Complete and attach Form 6765, Credit for Increasing Research Activities (or for claiming the orphan drug credit), to Form 1120S.

• **Jobs credit.** Complete and attach Form 5884, Jobs Credit, to Form 1120S.

• **Disabled access credit.** Complete and attach Form 8826, Disabled Access Credit, to Form 1120S.

• **Enhanced oil recovery credit.** Complete and attach Form 8830, Enhanced Oil Recovery Credit, to Form 1120S.

• **Qualified Electric Vehicle Credit.** Complete and attach Form 8834, Qualified Electric Vehicle Credit, to Form 1120S.

• **Renewable Electricity Production Credit.** Complete and attach Form 8835, Renewable Electricity Production Credit, to Form 1120S.

See the instructions for line 21 (Schedule K) and line 23 (Schedule K-1) to report expenditures qualifying for the (a) rehabilitation credit not related to rental real estate activities, (b) energy credit, or (c) restoration credit.

Adjustments and Tax Preference Items

Lines 14a through 14e must be completed for all shareholders.

Enter items of income and deductions that are adjustments or tax preference items. Get Form 6251, Alternative Minimum Tax—Individuals, Schedule H of Form 1041, U.S. Fiduciary Income Tax Return, and Pub. 909, Alternative Minimum Tax for Individuals, to determine the amounts to enter and for other information.

Do not include as a tax preference item any qualified expenditures to which an election under section 59(e) may apply. Because these expenditures are subject to an election by each shareholder, the corporation cannot compute the amount of any tax preference related to them. Instead, the corporation must pass through to each shareholder on lines 16a and 16b of Schedule K-1 the information needed to compute the deduction.

Line 14a—Depreciation Adjustment on Property Placed in Service After 1986

Figure the adjustment for line 14a based only on tangible property placed in service after 1986 (and tangible property placed in service after July 31, 1986, and before 1987 for which the corporation elected to use the General Depreciation System). Do not make an adjustment for motion picture films, videotapes, sound recordings, certain public utility property (as defined in section 168(f)(2)), or property depreciated under the unit-of-production method (or any other method not expressed in a term of years).

Using the same convention the corporation used for regular tax purposes, refigure depreciation as follows:

- For property that is neither real property nor property depreciated using the straight line method, use the 150% declining balance method over the property's class life (instead of the recovery period), switching to straight line for the first tax

year that method gives a better result. See Pub. 534 for a table of class lives. For property having no class life, use 12 years.

• For property depreciated using the straight line method (other than real property), use the straight line method over the property's class life (instead of the recovery period). For property having no class life, use 12 years.

• For residential rental and nonresidential real property, use the straight line method over 40 years.

Determine the depreciation adjustment by subtracting the recomputed depreciation from the depreciation claimed on Form 4562. If the recomputed depreciation exceeds the depreciation claimed on Form 4562, enter the difference as a negative amount. See the instructions for Form 6251 and Form 4562 for more information.

Line 14b—Adjusted Gain or Loss

If the corporation disposed of any tangible property placed in service after 1986 (or after July 31, 1986, if an election was made to use the General Depreciation System), or if it disposed of a certified pollution control facility placed in service after 1986, refigure the gain or loss from the disposition using the adjusted basis for alternative minimum tax (AMT) purposes. The property's adjusted basis for AMT purposes is its cost or other basis minus all depreciation or amortization deductions allowed or allowable for AMT purposes during the current tax year and previous tax years. Enter on this line the difference between the gain (or loss) reported for regular tax purposes and the gain (or loss) recomputed for AMT purposes. If the gain recomputed for AMT purposes is less than the gain computed for regular tax purposes, OR if the loss recomputed for AMT purposes is more than the loss computed for regular tax purposes, OR if there is a loss for AMT purposes and a gain for regular tax purposes, enter the difference as a negative amount.

Line 14c—Depletion (Other Than Oil and Gas)

Do not include any depletion on oil and gas wells. The shareholders must compute their depletion deductions separately under section 613A.

In the case of mines, wells, and other natural deposits, other than oil and gas wells, enter the amount by which the deduction for depletion under section 611 (including percentage depletion for geothermal deposits) is more than the adjusted basis of such property at the end of the tax year. Figure the adjusted basis without regard to the depletion deduction and figure the excess separately for each property.

Lines 14d(1) and 14d(2)

Generally, the amounts to be entered on these lines are only the income and deductions for oil, gas, and geothermal properties that are used to figure the amount on line 21, page 1, Form 1120S.

If there are any items of income or deductions for oil, gas, and geothermal properties included in the amounts that are required to be passed through separately to the shareholders on Schedule K-1, give each shareholder a schedule that shows, for the line on which the income or deduction is included, the amount of income or deductions included in the total amount for that line. Do not include any of these direct passthrough amounts on line 14d(1) or 14d(2). The shareholder is told in the Shareholder's Instructions for Schedule K-1 (Form 1120S) to adjust the amounts on lines 14d(1) and 14d(2) for any other income or deductions from oil, gas, or geothermal properties included on lines 2 through 10 and 23 of Schedule K-1 in order to determine the total income and deductions from oil, gas, and geothermal properties for the corporation.

Figure the amounts for lines 14d(1) and 14d(2) separately for oil and gas properties which are not geothermal deposits and for all properties that are geothermal deposits. Give the shareholders a schedule that shows the separate amounts included in the computation of the amounts on lines 14d(1) and 14d(2).

Line 14d(1). Gross income from oil, gas, and geothermal properties.—Enter the total amount of gross income (within the meaning of section 613(a)) from all oil, gas, and geothermal properties received or accrued during the tax year and included on page 1, Form 1120S.

Line 14d(2). Deductions allocable to oil, gas, and geothermal properties.—Enter the amount of any deductions allocable to oil, gas, and geothermal properties reduced by the excess intangible drilling costs included on page 1, Form 1120S, on properties for which the corporation made an election to expense intangible drilling costs in tax years beginning before 1983. Do not include nonproductive well costs included on page 1.

Figure excess intangible drilling costs as follows: From the allowable intangible drilling and development costs (except for costs in drilling a nonproductive well), subtract the amount that would have been allowable if the corporation had capitalized these costs and either amortized them over the 120 months that started when production began, or treated them according to any election the corporation made under section 57(b)(2).

See section 57(a)(2) for more information.

Line 14e—Other Adjustments and Tax Preference Items

Attach a schedule that shows each shareholder's share of other items not shown on lines 14a through 14d(2) that are adjustments or tax preference items or that the shareholder needs to complete Form 6251 or Schedule H of Form 1041. See these forms and their instructions to determine the amount to enter. Other adjustments or tax preference items include the following:

- Accelerated depreciation of real property placed in service before 1987.

- Accelerated depreciation of leased personal property placed in service before 1987.

- Amortization of certified pollution control facilities. The deduction allowable under section 169 for any facility placed in service after 1986 must be figured using the alternative depreciation system under section 168(g).

- Long-term contracts entered into after February 28, 1986. Except for certain home construction contracts, the taxable income from these contracts must be figured using the percentage of completion method of accounting for alternative minimum tax purposes.

- Installment sales after March 1, 1986, of property held primarily for sale to customers in the ordinary course of the corporation's trade or business. Generally, the installment method may not be used for these sales in computing alternative minimum taxable income.

- Charitable contributions of appreciated property. Generally, the deduction for charitable contributions claimed on line 7 of Schedules K and K-1 is reduced by the difference between the fair market value and the adjusted basis of the capital gain and section 1231 property donated to a charitable organization. For contributions made before July 1, 1992, no reduction is made for any contribution of tangible personal property.

- Losses from tax shelter farm activities. No loss from any tax shelter farm activity is allowed for alternative minimum tax purposes.

Foreign Taxes

Lines 15a through 15g must be completed whether or not a shareholder is eligible for the foreign tax credit, if the corporation has foreign income, deductions, or losses, or has paid or accrued foreign taxes.

In addition to the instructions below, see Form 1116, Foreign Tax Credit (Individual, Fiduciary, or Nonresident Alien Individual), and the related instructions.

Line 15a—Type of Income

Enter the type of income from outside the United States as follows:

- Passive income.
- High withholding tax interest.
- Financial services income.
- Shipping income.
- Dividends from a DISC or former DISC.
- Certain distributions from a foreign sales corporation (FSC) or former FSC.
- Dividends from each noncontrolled section 902 corporation.
- Taxable income attributable to foreign trade income (within the meaning of section 923(b)).
- General limitation income (all other income from sources outside the United States, including income from sources within U.S. possessions).

If, for the country or U.S. possession shown on line 15b, the corporation had

more than one type of income, enter "See attached" and attach a schedule for each type of income for lines 15b through 15g.

Line 15b—Foreign Country or U.S. Possession

Enter the name of the foreign country or U.S. possession. If, for the type of income shown on line 15a, the corporation had income from, or paid taxes to, more than one foreign country or U.S. possession, enter "See attached" and attach a schedule for each country for lines 15a and 15c through 15g.

Line 15c—Total Gross Income From Sources Outside the United States

Enter in U.S. dollars the total gross income from sources outside the United States. Attach a schedule that shows each type of income listed in the instructions for line 15a.

Line 15d—Total Applicable Deductions and Losses

Enter in U.S. dollars the total applicable deductions and losses attributable to income on line 15c. Attach a schedule that shows each type of deduction or loss as follows:

- Expenses directly allocable to each type of income listed above.
- Pro rata share of all other deductions not directly allocable to specific items of income.
- Pro rata share of losses from other separate limitation categories.

Line 15e—Total Foreign Taxes

Enter in U.S. dollars the total foreign taxes (described in section 901) paid or accrued by the corporation to foreign countries or U.S. possessions. Attach a schedule that shows the dates the taxes were paid or accrued, and the amount in both foreign currency and in U.S. dollars, as follows:

- Taxes withheld at source on dividends.
- Taxes withheld at source on rents and royalties.
- Other foreign taxes paid or accrued.

Line 15f—Reduction in Taxes Available for Credit

Enter in U.S. dollars the total reduction in taxes available for credit. Attach a schedule that shows separately the—

- Reduction for foreign mineral income.
- Reduction for failure to furnish returns required under section 6038.
- Reduction for taxes attributable to boycott operations (section 908).
- Reduction for foreign oil and gas extraction income (section 907(a)).
- Reduction for any other items (specify).

Line 15g—Other Foreign Tax Information

Enter in U.S. dollars any items not covered on lines 15c through 15f.

Other

Lines 16a and 16b

Generally, section 59(e) allows each shareholder to make an election to deduct the shareholder's pro rata share of the corporation's otherwise deductible qualified expenditures ratably over 10 years (3 years for circulation expenditures), beginning with the tax year in which the expenditures were made (or for intangible drilling and development costs, over the 60-month period beginning with the month in which such costs were paid or incurred). The term "qualified expenditures" includes only the following types of expenditures paid or incurred during the tax year: circulation expenditures, research and experimental expenditures, intangible drilling and development costs, and mining exploration and development costs. If a shareholder makes this election, these items are not treated as tax preference items.

Because the shareholders are generally allowed to make this election, the corporation cannot deduct these amounts or include them as adjustments or tax preference items on Schedule K-1. Instead, on lines 16a and 16b of Schedule K-1, the corporation passes through the information the shareholders need to compute their separate deductions.

Enter on line 16a the qualified expenditures paid or incurred during the tax year to which an election under section 59(e) may apply. Enter this amount for all shareholders whether or not any shareholder makes an election under section 59(e). On line 16b, enter the type of expenditure claimed on line 16a. If the expenditure is for intangible drilling and development costs, enter the month in which the expenditure was paid or incurred (after the type of expenditure on line 16b). If there is more than one type of expenditure included in the total shown on line 16a (or intangible drilling and development costs were paid or incurred for more than 1 month), report this information separately for each type of expenditure (or month) on an attachment to Schedules K and K-1.

Line 17—Tax-Exempt Interest Income

Enter on line 17 tax-exempt interest income, including any exempt-interest dividends received from a mutual fund or other regulated investment company. This information must be reported by individuals on line 8b of Form 1040. Generally, the basis of the shareholder's stock is increased by the amount shown on this line under section 1367(a)(1)(A).

Line 18—Other Tax-Exempt Income

Enter on line 18 all income of the corporation exempt from tax other than tax-exempt interest (e.g., life insurance proceeds). Generally, the basis of the shareholder's stock is increased by the amount shown on this line under section 1367(a)(1)(A).

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Line 19—Nondeductible Expenses

Enter on line 19 nondeductible expenses paid or incurred by the corporation. Do not include separately stated deductions shown elsewhere on Schedules K and K-1 or capital expenditures. Generally, the basis of the shareholder's stock is decreased by the amount shown on this line under section 1367(a)(2)(D).

Line 20

Enter total distributions made to each shareholder other than dividends reported on line 22 of Schedule K. Noncash distributions of appreciated property are valued at fair market value. See Schedule M-2 instructions for ordering rules on distributions.

Line 21 (Schedule K Only)

Attach a statement to Schedule K to report the corporation's total income, expenditures, or other information for items 1 through 14 of the line 23 (Schedule K-1 Only) instruction below.

Line 22 (Schedule K Only)

Enter total dividends paid to shareholders from accumulated earnings and profits. Report these dividends to shareholders on Form 1099-DIV. Do not report them on Schedule K-1.

Lines 22a and 22b (Schedule K-1 Only)—Recapture of Low-Income Housing Credit

If recapture of part or all of the low-income housing credit is required because (a) prior year qualified basis of a building decreased or (b) the corporation disposed of a building or part of its interest in a building, see Form 8611, Recapture of Low-Income Housing Credit. The instructions for Form 8611 indicate when Form 8611 is completed by the corporation and what information is provided to shareholders when recapture is required.

Note: If a shareholder's ownership interest in a building decreased because of a transaction at the shareholder level, the corporation must provide the necessary information to the shareholder to enable the shareholder to compute the recapture.

If the corporation posted a bond as provided in section 42(i)(6) to avoid recapture of the low-income housing credit, no entry should be made on line 22 of Schedule K-1.

See Form 8586, Form 8611, and section 42 for more information.

Supplemental Information

Line 23 (Schedule K-1 Only)

Enter in the line 23 Supplemental Information space of Schedule K-1, or on an attached schedule if more space is needed, each shareholder's share of any information asked for on lines 1 through 22 that is required to be reported in detail, and items 1 through 14 below. Please identify the applicable line number next to the information entered in the

Supplemental Information space. Show income or gains as a positive number. Show losses in parentheses.

1. Taxes paid on undistributed capital gains by a regulated investment company. As a shareholder of a regulated investment company, the corporation will receive notice on Form 2439, Notice to Shareholder of Undistributed Long-Term Capital Gains, that the company paid tax on undistributed capital gains.

2. Gross income and other information relating to oil and gas well properties that are reported to shareholders to allow them to figure the depletion deduction for oil and gas well properties. See section 613A(c)(11) for details.

The corporation cannot deduct depletion on oil and gas wells. Each shareholder must determine the allowable amount to report on his or her return. See Pub. 535 for more information.

3. Qualified exploratory costs. In order for each shareholder to compute the alternative minimum tax adjustment based on energy preferences, the corporation must identify the portion, if any, of intangible drilling and development costs shown on line 16a that is attributable to qualified exploratory costs. Identify this amount on line 23 as "Qualified exploratory costs included on line 16a." Qualified exploratory costs are intangible drilling and development costs paid or incurred in connection with the drilling of an exploratory well located in the United States. See section 56(n)(6) for more details.

4. Recapture of section 179 expense deduction. For property placed in service after 1986, the section 179 deduction is recaptured at any time the business use of property drops to 50% or less. Enter the amount originally passed through and the corporation's tax year in which it was passed through. Inform the shareholder if the recapture amount was caused by the disposition of the section 179 property. See section 179(d)(10) for more information. Do not include this amount on line 4 or 5, page 1, Form 1120S.

5. Recapture of certain mining exploration expenditures (section 617).

6. Any information or statements the corporation is required to furnish to shareholders to allow them to comply with requirements under section 6111 (registration of tax shelters) or section 6662(d)(2)(B)(ii) (regarding adequate disclosure of items that may cause an understatement of income tax).

7. If the corporation is involved in farming or fishing activities, report the gross income from these activities to shareholders.

8. Any information needed by a shareholder to compute the interest due under section 453(i)(3). If the corporation elected to report the dispositions of certain timeshares and residential lots on the installment method, each shareholder's tax liability must be increased by the shareholder's pro rata share of the interest

on tax attributable to the installment payments received during the tax year.

9. Any information needed by a shareholder to compute the interest due under section 453A(c), if an obligation arising from the disposition of property to which section 453A applies is outstanding at the close of the year, each shareholder's tax liability must be increased by the tax due under section 453A(c) on the shareholder's pro rata share of the tax deferred under the installment method.

10. Any information needed by a shareholder to properly capitalize interest as required by section 263A(f). See Section 263A uniform capitalization rules on page 10 for additional information. See Notice 88-99, 1988-2 C.B. 422, for more information.

11. If the corporation is a closely held S corporation (defined in section 1361(b)) and it entered into any long-term contracts after February 28, 1985, that are accounted for under either the percentage of completion-capitalized cost method or the percentage of completion method, it must attach a schedule to Form 1120S showing the information required in items (a) and (b) of the instructions for lines 1 and 3 of Part II for Form 8697, Interest Computation Under the Look-Back Method for Completed Long-Term Contracts. It must also report the amounts for Part II, lines 1 and 3, to its shareholders. See the instructions for Form 8697 for more information.

12. Expenditures qualifying for the (a) rehabilitation credit not related to real estate activities, (b) energy credit, or (c) reforestation credit. Complete and attach Form 3468 to Form 1120S. See Form 3468 and related instructions for information on eligible property and the lines on Form 3468 to complete. Do not include that part of the cost of the property the corporation has elected to expense under section 179. Attach to each Schedule K-1 a separate schedule in a format similar to that shown on Form 3468 detailing each shareholder's pro rata share of qualified expenditures. Also indicate the lines of Form 3468 on which the shareholders should report these amounts.

13. Recapture of investment credit. Complete and attach Form 4255, Recapture of Investment Credit, when investment credit property is disposed of, or if no longer qualifies for the credit, before the end of the recapture period or the useful life applicable to the property. State the kind of property at the top of Form 4255, and complete lines 2, 3, 4, and 8, whether or not any shareholder is subject to recapture of the credit. Attach to each Schedule K-1 a separate schedule providing the information the corporation is required to show on Form 4255, but list only the shareholder's pro rata share of the cost of the property, subject to recapture. Also indicate the lines of Form 4255 on which the shareholders should report these amounts.

The corporation itself is liable for investment credit recapture in certain

cases. See the instructions for line 22c, page 1, Form 1120S, for details.

14. Any other information the shareholders need to prepare their tax returns.

Specific Instructions

Schedule L—Balance Sheets

The balance sheets should agree with the corporation's books and records. Include certificates of deposit as cash on line 1 of Schedule L.

Line 5—Tax-Exempt Securities

Include on this line—

1. State and local government obligations, the interest on which is excludable from gross income under section 103(a), and

2. Stock in a mutual fund or other regulated investment company that distributed exempt-interest dividends during the tax year of the corporation.

Line 24—Retained Earnings

If the corporation maintains separate accounts for appropriated and unappropriated retained earnings, it may want to continue such accounting for purposes of preparing its financial balance sheet. Also, if the corporation converts to C corporation status in a subsequent year it will be required to report its appropriated and unappropriated retained earnings on separate lines of Schedule L of Form 1120.

Schedule M-1—Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Line 3b—Travel and Entertainment

Include on this line 20% of meals and entertainment not allowed under section 274(n); expenses for the use of an entertainment facility; the part of business gifts in excess of \$25; expenses of an individual allocable to conventions on cruise ships in excess of \$2,000; employee achievement awards in excess of \$400; the cost of entertainment tickets in excess of face value (also subject to 20% disallowance); the cost of skyboxes in excess of the face value or nonluxury box seat tickets; the part of the cost of luxury water travel not allowed under section 274(m); expenses for travel as a form of education; and other travel and entertainment expenses not allowed as a deduction.

Schedule M-2—Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed

Column (a)—Accumulated Adjustments Account

The accumulated adjustments account (AAA) is an account of the S corporation that generally reflects the accumulated undistributed net income of the corporation for the corporation's post-1982 years. S corporations with accumulated earnings and profits must maintain the AAA to determine the tax effect of distributions during S years and the post-termination transition period. An S corporation without accumulated earnings and profits does not need to maintain the AAA in order to determine the tax effect of distributions. Nevertheless, if an S corporation without accumulated earnings and profits engages in certain transactions to which section 381(a) applies, such as a merger into an S corporation with accumulated earnings and profits, the S corporation must be able to calculate its AAA at the time of the merger for purposes of determining the tax effect of post-merger distributions. Therefore, it is recommended that the AAA be maintained by all S corporations.

At the end of the tax year, the AAA is determined by taking into account the taxable income, deductible losses and expenses, and nondeductible losses and expenses for the tax year. Adjustments for nontaxable income are made to the other adjustments account as explained in the column (b) instruction below. See section 1368. After the year-end income and expense adjustments are made, the AAA is reduced by distributions made during the tax year. See Distributions on page 22 for distribution rules.

Note: The AAA may have a negative balance at year end. See section 1368(e).

Column (b)—Other Adjustments Account

The other adjustments account is adjusted for tax-exempt income (and related expenses) of the corporation. See section 1368. After adjusting for tax-exempt income, the account is reduced for any distributions made during the year. See Distributions on page 22.

Column (c)—Shareholders' Undistributed Taxable Income Previously Taxed

The shareholders' undistributed taxable income previously taxed account, also called previously taxed income (PTI), is maintained only if the corporation had a balance in this account at the start of its 1992 tax year. If there is a beginning balance for the 1992 tax year, no adjustments are made to the account except to reduce the account for distributions made under section 1375(d)

(as in effect before the enactment of the Subchapter S Revision Act of 1982). See Distributions below for the order of distributions from the account.

Each shareholder's right to nontaxable distributions from PTI is personal and cannot be transferred to another person. The corporation is required to keep records of each shareholder's net share of PTI.

Distributions

Generally, property distributions (including cash) are applied in the following order to reduce accounts of the S corporation that are used to compute the tax effect of distributions made by the corporation to its shareholders:

1. Reduce AAA (but not below zero). If distributions during the tax year exceed the AAA at the close of the tax year, the AAA is allocated pro rata to each distribution made during the tax year. See section 1368(c).

2. Reduce shareholders' PTI account for any section 1375(d) (as in effect before 1983) distributions. A distribution from the PTI account is tax free to the extent of a shareholder's basis in his or her stock in the corporation.

3. Reduce accumulated E&P. Generally, the S corporation has accumulated E&P only if it has not distributed E&P accumulated in prior years when the S corporation was a C corporation (section 1361(a)(2)) or a small business corporation prior to 1983 (section 1371 of prior law). See section 312 for information on E&P. The only adjustments that can be made to the accumulated E&P of an S corporation

are (a) reductions for dividend distributions; (b) adjustments for redemptions, liquidations, reorganizations, etc.; and (c) reductions for investment credit recapture tax for which the corporation is liable. See sections 1371(c) and (d)(3).

4. Reduce the other adjustments account.

5. Reduce any remaining shareholders' equity accounts.

If the corporation has accumulated E&P and wants to distribute this E&P before making distributions from the AAA, it may elect to do so with the consent of all its affected shareholders (section 1368(e)(3)). If the corporation has PTI and wants to make distributions from retained earnings before making distributions from PTI, it may elect to do so with the consent of all its shareholders. The statement of election must be attached to a timely filed Form 1120S for the tax year during which the distributions are made. The election must be made separately for each tax year.

In the case of either election, after all accumulated E&P in the retained earnings are distributed, the above general order of distributions applies except that item 3 is eliminated.

Example

The following example shows how the Schedule M-2 accounts are adjusted for items of income (loss), deductions, and distributions reported on Form 1120S.

Items per return are:

1. Page 1, line 21 income—\$219,000

2. Schedule K, line 2 loss—(\$3,000)
3. Schedule K, line 4a income—\$4,000
4. Schedule K, line 4b income—\$16,000
5. Schedule K, line 7 deduction—\$24,000
6. Schedule K, line 11a deduction—\$3,000
7. Schedule K, line 13 jobs credit—\$6,000
8. Schedule K, line 17 tax-exempt interest—\$5,000
9. Schedule K, line 19 nondeductible expenses—\$6,000 (reduction in salaries and wages for jobs credit), and
10. Schedule K, line 20 distributions—\$65,000.

Based on return items 1 through 10 and starting balances of zero, the columns for the AAA and the other adjustments account are completed as shown in the Schedule M-2 Worksheet below.

Note: For the AAA account, the worksheet line 3—\$20,000 amount is the total of the Schedule K, lines 4a and 4b incomes of \$4,000 and \$16,000. The worksheet line 5—\$36,000 amount is the total of the Schedule K, line 2 loss of (\$3,000), line 7 deduction of \$24,000, line 11a deduction of \$3,000, and the line 19 nondeductible expenses of \$6,000. For the other adjustments account, the worksheet line 3 amount is the Schedule K, line 17, tax-exempt interest income of \$5,000. Other worksheet amounts are self-explanatory.

Schedule M-2 Worksheet

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1 Balance at beginning of tax year	-0-	-0-	
2 Ordinary income from page 1, line 21	219,000		
3 Other additions	20,000	5,000	
4 Loss from page 1, line 21	()	()	
5 Other reductions	(36,000)	()	
6 Combine lines 1 through 5	203,000	5,000	
7 Distributions other than dividend distributions	65,000	-0-	
8 Balance at end of tax year. Subtract line 7 from line 6	138,000	5,000	

Codes for Principal Business Activity

These codes for the Principal Business Activity are designed to classify enterprises by the type of activity in which they are engaged to facilitate the administration of the Internal Revenue Code. Though similar in format and structure to the Standard Industrial Classification (SIC) codes, they should not be used as SIC codes.

Using the list below, enter on page 1, under B, the code number for the specific industry group from which the largest percentage of

"total receipts" is derived. Total receipts means the total of gross receipts on line 1a, page 1; all other income on lines 4 and 5, page 1; all income on lines 2, 19, and 20a of Form 8825; and income (receipts only) on lines 3a and 4a through 4f of Schedule K.

On page 2, Schedule B, line 2, state the principal business activity and principal product or service that account for the largest percentage of total receipts. For example, if the

principal business activity is "Grain mill products," the principal product or service may be "Cereal preparations."

If, as its principal business activity, the corporation: (1) purchases raw materials, (2) subcontracts out for labor to make a finished product from the raw materials, and (3) retains title to the goods, the corporation is considered to be a manufacturer and must enter one of the codes (2010-3998) under "Manufacturing."

Agriculture, Forestry, and Fishing

Code
0400 Agricultural production.
0600 Agricultural services (except veterinarians), forestry, fishing, hunting, and trapping.

Mining

Metal mining:
1010 Iron ores.
1070 Copper, lead and zinc, gold and silver ores.
1098 Other metal mining.
1150 Coal mining.
Oil and gas extraction:
1330 Crude petroleum, natural gas, and natural gas liquids.
1380 Oil and gas lease services.
Nonmetallic minerals, except fuels:
1430 Limestone, crushed and broken stone, sand and gravel.
1498 Other nonmetallic minerals, except fuels.

Construction

General building contractors and operative builders:
1510 General building contractors.
1531 Operative builders.
1800 Heavy construction contractors.
Social trade contractors:
1711 Plumbing, heating, and air conditioning.
1731 Electrical work.
1798 Other special trade contractors.

Manufacturing

Food and kindred products:
2010 Meat products.
2020 Dairy products.
2030 Preserved fruits and vegetables.
2040 Grain mill products.
2050 Bakery products.
2090 Sugar and confectionery products.
2081 Malt liquors and malt.
2088 Alcoholic beverages, except malt liquors and malt.
2089 Bottled soft drinks, and flavorings.
2098 Other food and kindred products.
2100 Tobacco manufacturers.
Textile mill products:
2228 Weaving mills and textile finishing.
2250 Knitting mills.
2298 Other textile mill products.
Apparel and other textile products:
2315 Men's and boys' clothing.
2345 Women's and children's clothing.
2388 Other apparel and accessories.
2390 Miscellaneous fabricated textile products.
Lumber and wood products:
2415 Logging, sawmills, and planing mills.
2430 Millwork, plywood, and related products.
2498 Other wood products, including wood buildings and mobile homes.
Furniture and fixtures:
2500 Paper and allied products:
2625 Pulp, paper, and board mills.
2699 Other paper products.
Printing and publishing:
2710 Newspapers.
2720 Periodicals.
2735 Books, greeting cards, and miscellaneous publishing.
2799 Commercial and other printing, and printing trade services.

Code
Chemicals and allied products:
2815 Industrial chemicals, plastics, materials and synthetics.
2830 Drugs.
2840 Soaps, cleaners, and toilet goods.
2850 Paints and allied products.
2898 Agricultural and other chemical products.
Petroleum refining and related industries (including those integrated with extraction):
2910 Petroleum refining (including integrated).
2998 Other petroleum and coal products.
Rubber and misc. plastics products:
3050 Rubber products: plastics footwear, hoses, and tubing.
3070 Misc. plastics products.
Leather and leather products:
3140 Footwear, except rubber.
3198 Other leather and leather products.
Stone, clay, and glass products:
3225 Glass products.
3240 Cement, hydraulic.
3270 Concrete, gypsum, and plaster products.
3298 - Other nonmetallic mineral products.
Primary metal industries:
3370 Ferrous metal industries: misc. primary metal products.
3380 Nonferrous metal industries.
Fabricated metal products:
3410 Metal cans and shipping containers.
3420 Cutlery, hand tools, and hardware; screw machine products, bolts, and similar products.
3430 Plumbing and heating, except electric and warm air.
3440 Fabricated structural metal products.
3450 Metal forgings and stampings.
3470 Coating, engraving, and allied services.
3480 Ordnance and accessories, except vehicles and guided missiles.
3490 Misc. fabricated metal products.
Machinery, except electrical:
3520 Farm machinery.
3530 Construction and related machinery.
3540 Metalworking machinery.
3550 Special industry machinery.
3560 General industrial machinery.
3570 Office, computing, and accounting machines.
3598 Other machinery except electrical.
Electrical and electronic equipment:
3630 Household appliances.
3665 Radio, television, and communications equipment.
3670 Electronic components and accessories.
3698 Other electrical equipment.
3710 Motor vehicles and equipment.
Transportation equipment, except motor vehicles:
3725 Aircraft, guided missiles and parts.
3730 Ship and boat building and repairing.
3798 Other transportation equipment, except motor vehicles.
Instruments and related products:
3815 Scientific instruments and measuring devices: watches and clocks.
3845 Optical, medical, and ophthalmic goods.
3860 Photographic equipment and supplies.
3998 Other manufacturing products.

Transportation and Public Utilities

Code
Transportation:
4000 Railroad transportation.
4100 Local and interurban passenger transit.
4200 Trucking and warehousing.
4400 Water transportation.
4500 Transportation by air.
4600 Pipelines, except natural gas.
4700 Mechanized transportation services.
Communication:
4825 Telephony, telegraph, and other communication services.
4830 Radio and television broadcasting.
Electric, gas, and sanitary services:
4910 Electric services.
4920 Gas production and distribution.
4930 Combination utility services.
4990 Water supply and other sanitary services.

Wholesale Trade

Durable:
5006 Machinery, equipment, and supplies.
5010 Motor vehicles and automotive equipment.
5020 Furniture and home furnishings.
5030 Lumber and construction materials.
5040 Sporting, recreational, photographic, and hobby goods, toys and supplies.
5050 Metals and minerals, except petroleum and scrap.
5060 Electrical goods.
5070 Hardware, plumbing and heating equipment and supplies.
5098 Other durable goods.
Nondurable:
5110 Paper and paper products.
5129 Drugs, drug preparations, and druggists' sundries.
5130 Apparel, piece goods, and notions.
5140 Groceries and related products.
5150 Farm-product raw materials.
5160 Chemicals and allied products.
5170 Petroleum and petroleum products.
5180 Alcoholic beverages.
5190 Misc. nondurable goods.

Retail Trade

Building materials, garden supplies, and mobile home dealers:
5220 Building materials dealers.
5251 Hardware stores.
5255 Garden supplies and mobile home dealers.
5300 General merchandise stores.
Food stores:
5410 Grocery stores.
5400 Other food stores.
Automotive dealers and service stations:
5515 Motor vehicle dealers.
5541 Gasoline service stations.
5598 Other automotive dealers.
5600 Apparel and accessory stores.
5700 Furniture and home furnishings stores.
5800 Eating and drinking places.
Misc. retail stores:
5912 Drug stores and proprietary stores.
5921 Liquor stores.
5995 Other retail stores.

Finance, Insurance, and Real Estate

Code
Banking:
6030 Mutual savings banks.
6060 Bank holding companies.
6090 Banks, except mutual savings banks and bank holding companies.
Credit agencies other than banks:
6120 Savings and loan associations.
6140 Personal trust institutions.
6150 Business credit institutions.
6199 Other credit agencies.
Security, commodity brokers and services:
6210 Security brokers, dealers, and flotation companies.
6299 Commodity contracts brokers and dealers; security and commodity exchanges; and allied services.
Insurance:
6335 Life insurance.
6356 Mutual insurance, except life or marine and certain fire or flood insurance companies.
6359 Other insurance companies.
6411 Insurance agents, brokers, and service.
Real estate:
6511 Real estate operators and lessors of buildings.
6516 Lessors of mining, oil, and rental property.
6518 Lessors of railroad property and other real property.
6530 Condominium management and cooperative housing associations.
6550 Subdividers and developers.
6599 Other real estate.
Holding and other investment companies, except bank holding companies:
6744 Small business investment companies.
6749 Other holding and investment companies, except bank holding companies.

Services

7000 Hotels and other lodging places.
7200 Personal services.
Business services:
7310 Advertising.
7389 Business services, except advertising.
Auto repair, miscellaneous repair services:
7500 Auto repair and services.
7500 Misc. repair services.
Amusement and recreation services:
7812 Motion picture production, distribution, and services.
7830 Motion picture theaters.
7900 Amusement and recreation services, except motion pictures.
Other services:
8015 Offices of physicians, including osteopathic physicians.
8021 Offices of dentists.
8040 Offices of other health practitioners.
8050 Nursing and personal care facilities.
8050 Hospitals.
8071 Medical laboratories.
8099 Other medical services.
8111 Legal services.
8200 Educational services.
8300 Social services.
8600 Membership organizations.
8911 Architectural and engineering services.
8930 Accounting, auditing, and bookkeeping.
8980 Miscellaneous services (including veterinarians).

**SCHEDULE D
(Form 1120S)**

Capital Gains and Losses and Built-In Gains

OMB No. 1545-0130

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1120S.

1992

▶ See separate instructions.

Employer identification number

Part I Short-Term Capital Gains and Losses—Assets Held One Year or Less

(a) Kind of property and description (Example, 100 shares of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Cost or other basis, plus expense of sale	(f) Gain or (loss) (f) less (e)
1					

2 Short-term capital gain from installment sales from Form 6252, line 26 or 37	2
3 Short-term capital gain or (loss) from like-kind exchanges from Form 8824	3
4 Combine lines 1 through 3 and enter here	4
5 Tax on short-term capital gain included on line 31 below	5
6 Net short-term capital gain or (loss). Subtract line 5 from line 4. Enter here and on Form 1120S, Schedule K, line 4d or line 6	6

Part II Long-Term Capital Gains and Losses—Assets Held More Than One Year

7	

8 Long-term capital gain from installment sales from Form 6252, line 26 or 37	8
9 Long-term capital gain or (loss) from like-kind exchanges from Form 8824	9
10 Combine lines 7 through 9 and enter here	10
11 Tax on long-term capital gain included on lines 23 and 31 below	11
12 Net long-term capital gain or (loss). Subtract line 11 from line 10. Enter here and on Form 1120S, Schedule K, line 4e or line 6	12

Part III Capital Gains Tax (See instructions before completing this part.)

13 Enter section 1231 gain from Form 4797, line 10	13
14 Net long-term capital gain or (loss)—Combine lines 10 and 13 <i>Note: If the corporation is liable for the excess net passive income tax (Form 1120S, page 1, line 22a) or the built-in gains tax (Part IV below), see the line 15 instructions before completing line 15.</i>	14
15 Net capital gain. Enter excess of net long-term capital gain (line 14) over net short-term capital loss (line 4)	15
16 Statutory minimum	16
17 Subtract line 16 from line 15	17
18 Enter 34% of line 17	18
19 Taxable income (see instructions and attach computation schedule)	19
20 Enter tax on line 19 amount (see instructions and attach computation schedule)	20
21 Net capital gain from substituted basis property (see instructions and attach computation schedule)	21
22 Enter 34% of line 21	22
23 Tax. Enter the smallest of line 18, 20, or 22 here and on Form 1120S, page 1, line 22b	23

Part IV Built-In Gains Tax (See instructions before completing this part.)

24 Excess of recognized built-in gains over recognized built-in losses (see instructions and attach computation schedule)	24
25 Taxable income (see instructions and attach computation schedule)	25
26 Net recognized built-in gain. Enter smaller of line 24 or line 25 (see instructions)	26
27 Section 1374(b)(2) deduction	27
28 Subtract line 27 from line 26. (If zero or less, enter -0- here and on line 31.)	28
29 Enter 34% of line 28	29
30 Business credit and minimum tax credit carryforwards under section 1374(b)(3) from C corporation years	30
31 Tax. Subtract line 30 from line 29 (if zero or less, enter -0-). Enter here and on Form 1120S, page 1, line 22b	31

1992



Department of the Treasury
Internal Revenue Service

Instructions for Schedule D (Form 1120S)

Capital Gains and Losses and Built-In Gains

(Section references are to the Internal Revenue Code unless otherwise noted.)

Purpose of Schedule

Schedule D is used by all S corporations to report (a) sales or exchanges of capital assets and (b) gains on distributions to shareholders of appreciated capital assets (referred to here as distributions). See definition of capital assets below.

If the corporation filed its election to be an S corporation before 1987 (or filed its election during 1987 or 1988 and qualifies for the transitional relief from the built-in gains tax described in Part IV below), and had net capital gain (line 15) of more than \$25,000, it may be liable for a capital gains tax on the gain in excess of \$25,000. The tax is figured in Part III of Schedule D.

Generally, if the corporation (a) filed an election to be an S corporation after 1986, (b) was a C corporation at the time it made the election, and (c) has not recognized built-in gain as defined in section 1374(d)(2), it is liable for the built-in gains tax. The tax is figured in Part IV of Schedule D.

Sales, exchanges, and distributions of property other than capital assets, including property used in a trade or business; involuntary conversions (other than casualties or thefts); and gain from the disposition of an interest in oil, gas, or geothermal property, should be reported on Form 4797, Sales of Business Property.

If property is involuntarily converted because of a casualty or theft, use Form 4684, Casualties and Thefts.

Parts I and II

Generally, report sales or exchanges (including like-kind exchanges) even if there is no gain or loss. In Part I, report the sale, exchange, or distribution of capital assets held 1 year or less. In Part II, report the sale, exchange, or distribution of capital assets held more than 1 year. Use the trade dates for the dates of acquisition and sale of stocks and bonds on an exchange or over-the-counter market.

What Are Capital Assets?—Each item of property the corporation held (whether or not connected with its trade or business) is a capital asset except—

- Assets that can be inventoried or property held mainly for sale to customers.
- Depreciable or real property used in the trade or business.
- Certain copyrights; literary, musical, or artistic compositions; letters or memorandums; or similar property.
- Accounts or notes receivable acquired in the ordinary course of trade or business for services rendered or from the sale of property described in 1 above.

5. U.S. Government publications, including the Congressional Record, that the corporation received from the Government, other than by purchase at the normal sales price, or that the corporation got from another taxpayer who had received it in a similar way, if the corporation's basis is determined by reference to the previous owner.

Exchange of Like-Kind Property.—Complete and attach Form 8824, Like-Kind Exchanges, to the corporation's return to report an exchange of like-kind property. The corporation must report an exchange of business or investment property for like-kind property even if no gain or loss on the property is recognized.

For exchanges of capital assets, enter the gain or loss from Form 8824, if any, on line 3 or line 9. If an exchange was made with a related party, write

"Related Party Like-Kind Exchange" in the top margin of Schedule D. See Form 8824 and its instructions for details.

Special Rules for the Treatment of Certain Gains and Losses

Note: For more information, get Pub. 544, Sales and Other Dispositions of Assets, and Pub. 568, Tax Information on S Corporations.

- Loss from a sale or exchange between the corporation and a related person.**—Except for distributions in complete liquidation of a corporation, no loss is allowed from the sale or exchange of property between the corporation and certain related persons. See section 267 for details.
- Loss from a wash sale.**—The corporation cannot deduct a loss from a wash sale of stock or securities

(including contracts or options to acquire or sell stock or securities) unless the corporation is a dealer in stock or securities and the loss was sustained in a transaction made in the ordinary course of the corporation's trade or business. A wash sale occurs if the corporation acquires (by purchase or exchange), or has a contract or option to acquire, substantially identical stock or securities within 30 days before or after the date of the sale or exchange. See section 1091 for more information.

- Gain on distribution of appreciated property.**—Generally, gain (but not loss) is recognized on a nonliquidating distribution of appreciated property to the extent that the property's fair market value exceeds its adjusted basis. See section 311 for more information.

- Gain or loss on distribution of property in complete liquidation.**—Generally, gain or loss is recognized by a corporation upon the liquidating distribution of property as if it had sold the property at its fair market value. See section 336 for details and exceptions.

- Gains and losses on section 1256 contracts and straddles.**—Use Form 6781, Gains and Losses From Section 1256 Contracts and Straddles, to report gains and losses from section 1256 contracts and straddles.

- Gain or loss on certain short-term Federal, state, and municipal obligations.**—Such obligations are treated as capital assets in determining gain or loss. On any gain realized, a portion is treated as ordinary income and the balance is considered as a short-term capital gain. See section 1271.

- Gain from installment sales.**—If a corporation has a gain this year from the sale of real property or a casual sale of personal property other than inventory and is to receive any payment in a later year, it must use the installment method (unless it elects not to) and file Form 6252, Installment Sale Income. Also use Form 6252 if a payment is received this year from a sale made in an earlier year on the installment basis.

The corporation may elect out of the installment method by doing the following on a timely filed return (including extensions):

1. Report the full amount of the sale on Schedule D.

2. If the corporation received a note or other obligation and is reporting it at less than face value (including all contingent obligations), state that fact in the margin and give the percentage of valuation.

The installment method may not be used for sales of stock or securities (or certain other property described in the regulations) traded on an established securities market. See section 453(k).

- Gain or loss on an option to buy or sell property.**—See sections 1032 and 1234 for the rules that apply to a purchaser or grantor of an option.

- Gain or loss from a short sale of property.**—Report the gain or loss to the extent that the property used to close the short sale is considered a capital asset in the hands of the taxpayer.

- Loss from securities that are capital assets that become worthless during the year.**—Except for securities held by a bank, treat the loss as a capital loss as of the last day of the tax year. (See section 582 for the rules on the treatment of securities held by a bank.)

- Nonrecognition of gain on sale of stock to an ESOP.**—See section 1042 for rules under which a taxpayer may elect not to recognize gain from the sale of certain stock to an employee stock ownership plan (ESOP).

- Disposition of market discount bonds.**—See section 1276 for rules on the disposition of any market discount bonds issued after July 18, 1984.

- Capital gain distributions.**—Report capital gain distributions paid by mutual funds as long-term capital gain on line 7 regardless of how long the corporation owned stock in the fund.

How to Determine the Cost or Other Basis of the Property

In determining gain or loss, the basis of property will generally be its cost (see section 1012 and related regulations). The exceptions to the general rule are provided in sections contained in subchapters C, K, O, and P of the Code. For example, if the corporation acquired the property by dividend, liquidation of another corporation, transfer from a shareholder, reorganization, bequest, contribution or gift, tax-free exchange, involuntary conversion, certain asset acquisitions, or wash sale of stock, see sections 301 (or 1059), 334, 362 (or 358), 1014, 1015, 1031, 1033, 1060, and 1091, respectively. Attach an explanation if you use a basis other than actual cash cost of the property.

If the corporation is allowed a charitable contribution deduction because it sold property to a charitable organization, figure the adjusted basis for determining gain from the sale by dividing the amount realized by the fair

market value and multiplying that result by the adjusted basis.

See section 852(f) for the treatment of certain load charges incurred in acquiring stock in a mutual fund with a reinvestment right.

Part III—Capital Gains Tax

If the net long-term capital gain is more than the net short-term capital loss, there is a net capital gain. If this gain exceeds \$25,000, and the corporation elected to be an S corporation before 1987 (or filed its election during 1987 or 1988 and qualifies for the transitional relief from the built-in gains tax described in Part IV below), the corporation may be liable for income tax on the gain.

Determine if the corporation is liable for the tax by answering the following questions. If answers to questions A, B, and C are "Yes," the tax applies and Part III of Schedule D must be completed. Otherwise, the corporation is not liable for the tax.

If net capital gain is more than \$25,000, and the corporation is not liable for the tax, attach the Part III instructions to Schedule D with questions A, B, and C answered to show why the tax does not apply.

- A. Is net capital gain (line 15, Schedule D) more than \$25,000, and more than 50% of taxable income (see the instructions for line 19, Schedule D)? Yes No
- B. Is taxable income (see the instructions for line 19, Schedule D) more than \$25,000? Yes No
- C. Does any long-term capital gain (line 14, Schedule D) represent gain from substituted basis property (defined below)? Yes No

For purposes of the capital gains tax, substituted basis property is property that:

- Was acquired by the S corporation during the period that began 36 months before the first day of the tax year and ended on the last day of the tax year, and
 - 36 months before the first day of the tax year, or
 - The time the other corporation came into existence, and ended on the date the other corporation transferred the property used to determine the basis of the property acquired by the S corporation.
- Line 15.—If the corporation is liable for the tax on excess net passive income

(line 22a, page 1, Form 1120S) or the built-in gains tax (see Part IV below), and capital gain or loss was included in the computation of either tax, figure the amount to enter on line 15 as follows:

Step 1—Refigure lines 1 through 3, 7 through 9, and 13 of Schedule D by:

1. Excluding the portion of any recognized built-in capital gain or loss that does not qualify for transitional relief, and

2. Reducing any capital gain taken into account in determining passive investment income (line 2 of the worksheet for line 22a, page 1 of Form 1120S) by the portion of excess net passive income attributable to such gain. The attributable portion is figured by multiplying excess net passive income by a fraction, the numerator of which is the capital gain (less any expenses attributable to such gain), and the denominator of which is net passive income.

Step 2—Refigure lines 4, 10, 14, and 15 of Schedule D using the amounts determined in step 1.

Line 19.—Figure taxable income by completing lines 1 through 28 of Form 1120, U.S. Corporation Income Tax Return. Enter the amount from line 28 of Form 1120 on line 19 of Schedule D. Attach to Schedule D the Form 1120 computation or other worksheet used to figure taxable income.

Line 20.—Figure the tax under section 11 on the taxable income shown on line 19 as if the corporation were not an S corporation. You may use Schedule J of Form 1120 to figure the tax. Attach your tax computation to Schedule D.

Line 21.—Figure the excess of the net long-term capital gain over the net short-term capital loss from substituted basis property. Reduce this amount by any excess net passive income attributable to this gain (see the instructions for line 15). Attach to Schedule D your computation of the line 21 amount. Substituted basis property is defined below question C on this page.

Part IV—Built-In Gains Tax

Section 1374 provides for a tax on built-in gains that applies to certain corporations that made the election to be an S corporation after 1986. This tax does not apply to any corporation that has been an S corporation for each of its tax years, unless the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation.

Transitional Relief From Built-In Gains Tax.—Section 633(d)(8) of the 1986 Act provides special transitional relief from the built-in gains tax for qualified corporations. A qualified corporation is any corporation that (a) on August 1, 1986, and all times thereafter before the

corporation is completely liquidated, is more than 50% owned by a qualified group, and (b) has an applicable value of \$10 million or less.

A qualified group is a group of 10 or fewer qualified persons. A qualified person is—

1. An individual,
2. An estate, or
3. A trust described in section 1361(c)(2)(A)(ii) or (iii).

The qualified group must have owned (or be treated as having owned) more than 50% (by value) of the corporation's stock at all times during the 5-year period ending on the date of adoption of a plan of complete liquidation (or, if shorter, the period of the corporation's existence). The 5-year requirement does not apply to any corporation that made an S election before March 31, 1988.

The term "applicable value" means the fair market value of all of the stock of the corporation on the date a valid S election is made (or, if greater, on August 1, 1986).

The transitional relief rule applies to qualified corporations that elected to be S corporations during 1987 or 1988. However, the relief rule does not apply to the following items:

1. Ordinary gains or losses (determined without regard to section 1239).
2. Gains or losses from the disposition of capital assets held 6 months or less, and
3. Gains from the disposition of any asset acquired by the corporation with a substituted basis if a principal purpose for acquiring the asset was to secure transitional relief from the built-in gains tax.

Qualified corporations with an applicable value of between \$5 million and \$10 million are given only partial relief from the built-in gains tax. The portion of the built-in gain not eligible for relief is a fraction, the numerator of which is the amount by which the applicable value of the corporation exceeds \$5 million and the denominator of which is \$5 million.

Line 24.—Enter the amount that would be the taxable income of the corporation for the tax year if only recognized built-in gains (including any carryover of gain under section 1374(d)(2)(B)) and recognized built-in losses were taken into account.

Section 1374(d)(3) defines a **recognized built-in gain** as any gain recognized during the recognition period (the 10-year period beginning on the first day of the first tax year for which the corporation is an S corporation, or beginning the date the asset was acquired by the S corporation, for an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation) on the sale or distribution (disposition) of any asset, except to the extent the corporation establishes that—

1. The asset was not held by the corporation as of the beginning of the first tax year the corporation was an S corporation (except this does not apply to an asset acquired by the S corporation with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation), or

2. The gain exceeds the excess of the fair market value of the asset as of the start of the first tax year (or as of the date the asset was acquired by the S corporation, for an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation) over the adjusted basis of the asset at that time.

Section 1374(d)(4) defines a **recognized built-in loss** as any loss recognized during the recognition period (stated above) on the disposition of any asset to the extent the corporation establishes that—

1. The asset was held by the corporation as of the beginning of the 1st tax year the corporation was an S corporation (except that this does not apply to an asset acquired by the S corporation with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation), and

2. The loss does not exceed the excess of the adjusted basis of the asset as of the beginning of the first tax year (or as of the date the asset was acquired by the S corporation, for an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation), over the fair market value of the asset as of that time.

A qualified corporation must show on an attachment to Schedule D its total net recognized built-in gain and also list separately the gain or loss that is from (a) capital assets held 6 months or less, and (b) assets for which the disposition results in ordinary income or loss. A nonqualified corporation must show on an attachment its total net recognized built-in gain and list separately any capital gain or loss and ordinary gain or loss.

Line 25.—Figure taxable income by completing lines 1 through 28 of Form 1120. Enter the amount from line 28 of Form 1120 on line 25. Attach to Schedule D the Form 1120 computation or other worksheet used to figure taxable income.

Line 26.—Do not enter on line 26 more than the excess (if any) of the net unrealized built-in gain over the net recognized built-in gain for prior years. This is the amount that should have been entered on line 9 of Schedule B on page 2 of Form 1120S. See section 1374(c)(2). If for any tax year the amount on line 24 exceeds the taxable income on line 25, the excess is treated as a recognized built-in gain in the succeeding tax year. This carryover provision applies only in the case of an S corporation that made its election to be an S corporation on or after March 31, 1988. See section 1374(d)(2)(B).

Line 27.—Enter the section 1374(b)(2) deduction. Generally, this is any net operating loss carryforward or capital loss carryforward (to the extent of net capital gain included in recognized built-in gain for the tax year) arising in tax years for which the corporation was a C corporation. See section 1374(b)(2) for details.

Department of the Treasury
Internal Revenue Service
Name(s) as shown on return

▶ Attach to your tax return.
▶ See separate instructions.

Identifying number

Part I Tentative Credit

1a	Current year investment credit (Form 3468, Part I)	1a	
1b	Current year jobs credit (Form 5884, Part I)	1b	
1c	Current year credit for alcohol used as fuel (Form 6478)	1c	
1d	Current year credit for increasing research activities (Form 6765, Part III)	1d	
1e	Current year low-income housing credit (Form 8586, Part I)	1e	
1f	Current year enhanced oil recovery credit (Form 8830, Part I)	1f	
1g	Current year disabled access credit (Form 8826, Part I)	1g	
1h	Current year renewable electricity production credit (Form 8835, Part I)	1h	
1i	Current year general business credit. Add lines 1a through 1h	1i	
2	Passive activity credits included on lines 1a through 1h (see instructions)	2	
3	Subtract line 2 from line 1i	3	
4	Passive activity credits allowed for 1992 (see instructions)	4	
5	Carryforward of general business, WIN, or ESOP credit to 1992 (see instructions for the schedule to attach)	5	
6	Carryback of general business credit to 1992 (see instructions)	6	
7	Tentative general business credit. Add lines 3 through 6	7	

Part II General Business Credit Limitation Based on Amount of Tax

8a	Individuals. Enter amount from Form 1040, line 40	8		
b	Corporations. Enter amount from Form 1120, Schedule J, line 3 (or Form 1120-A, Part I, line 1)			
c	Other filers. Enter regular tax before credits from your return			
9	Credits that reduce regular tax before the general business credit—			
a	Credit for child and dependent care expense (Form 2441)		9a	
b	Credit for the elderly or the disabled (Schedule R (Form 1040))		9b	
c	Foreign tax credit (Form 1116 or Form 1118)		9c	
d	Possessions tax credit (Form 5735)		9d	
e	Mortgage interest credit (Form 8396)		9e	
f	Credit for fuel from a nonconventional source		9f	
g	Orphan drug credit (Form 6765)	9g		
h	Add lines 9a through 9g	9h		
10	Net regular tax. Subtract line 9h from line 8	10		
11	Tentative minimum tax (see instructions):	11		
a	Individuals. Enter amount from Form 6251, line 20			
b	Corporations. Enter amount from Form 4626, line 15			
c	Estates and trusts. Enter amount from Form 1041, Schedule H, line 37			
12	Net income tax:	12		
a	Individuals. Add line 10 above and line 22 of Form 6251			
b	Corporations. Add line 10 above and line 17 of Form 4626			
c	Estates and trusts. Add line 10 above and line 39 of Form 1041, Schedule H			
13	If line 10 is more than \$25,000, enter 25% (.25) of the excess	13		
14	Subtract line 11 or line 13, whichever is greater, from line 12. If less than zero, enter -0-	14		
15	General business credit allowed for current year. Enter the smaller of line 7 or line 14. Also enter this amount on Form 1040, line 44; Form 1120, Schedule J, line 4e; Form 1120-A, Part I, line 2a; or on the appropriate line of your return. (Individuals, estates, and trusts, see instructions if the credit for increasing research activities is claimed. C corporations, see instructions for Schedule A if any regular investment credit carryforward is claimed. See the instructions if the corporation has undergone a post-1986 "ownership change.")	15		

Schedule A Additional General Business Credit Allowed By Section 38(c)(2) (Before Repeal by the Revenue Reconciliation Act of 1990)—Only Applicable to C Corporations

16	Enter the portion of the credit shown on line 5, page 1, that is attributable to the regular investment credit under section 46	16	
17	Tentative minimum tax (from line 11, page 1)	17	
18	Multiply line 17 by 25% (.25)	18	
19	Enter the amount from line 14, page 1	19	
20	Enter the portion of the credit shown on line 7, page 1, that is NOT attributable to the regular investment credit under section 46	20	
21	Subtract line 20 from line 19 (if less than zero, enter -0-)	21	
22	Subtract line 21 from line 16 (if less than zero, enter -0-)	22	
23	For purposes of this line only, recompute the amount on line 13, Form 4626, by using zero on line 8, Form 4626, and enter the result here	23	
24	Multiply line 23 by 10% (.10)	24	
25	Net income tax (from line 12, page 1)	25	
26	General business credit (from line 15, page 1)	26	
27	Subtract line 26 from line 25	27	
28	Subtract line 24 from line 27	28	
29	Enter the smallest of line 18, line 22, or line 28	29	
30	Subtract line 29 from line 17	30	
31	Enter the greater of line 30 or line 13, page 1	31	
32	Subtract line 31 from line 25	32	
33	Enter the smaller of line 32 or line 10, page 1. Enter this amount also on line 15, page 1, instead of the amount previously computed on that line. Write "Sec. 38(c)(2)" in the margin next to your entry on line 15, page 1	33	
34	If line 32 is greater than line 33, enter the excess here (see instructions)	34	

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:
Recordkeeping 11 hr.
Learning about the law or the form 53 min.
Preparing and sending the form to the IRS 1 hr., 7 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. You can write to both the IRS and the Office of Management and Budget at the addresses listed in the instructions of the tax return with which this form is filed.

1992

Department of the Treasury
Internal Revenue Service

Instructions for Form 3800

General Business Credit

(Section references are to the Internal Revenue Code unless otherwise noted.)

Items To Note

• The Energy Policy Act of 1992 added new sections 30 and 45 that provide for new income tax credits that affect fiscal year filers of Form 3800.

Section 30 provides a credit of 10% of the cost of a qualified electric motor vehicle placed in service after June 30, 1993. While this credit is not part of the general business credit, it reduces the tax liability limitation in Part II. See Form 8834, Qualified Electric Vehicle Credit, for details.

Section 45 provides a credit for electricity produced at a qualified facility (owned by the taxpayer and placed in service after 1992) using closed-loop biomass as a qualified energy resource. See Form 8835, Renewable Electricity Production Credit, for details. Enter this credit on line 1h. Qualified facilities placed in service after 1993 using wind as the renewable energy resource will qualify for the credit.

• If you have a carryforward to 1992 of the regular investment credit or section 46(b)(2)(C) and (D) energy investment credit (as in effect prior to repeal by the Revenue Reconciliation Act of 1990), you must reduce that carryforward by 35% before entering it on line 5. This rule does not apply to the portion of the regular investment credit attributable to qualified timber property. See the line 5 instructions.

• If you have credits from passive activities, see Form 8810, Corporate Passive Activity Loss and Credit Limitations (for corporations only), or Form 8582-CR, Passive Activity Credit Limitations (for individuals, trusts, and estates), before completing Form 3800.

Purpose of Form

File Form 3800 if you have more than one of the credits listed below that make up the general business credit, have a carryback or carryforward of any of the credits, or if any of the credits are from a passive activity (other than the low-income housing credit).

The general business credit consists of the investment credit (Form 3468), jobs credit (Form 5884), credit for alcohol used as fuel (Form 6478), credit for increasing research activities (Form 6765), low-income housing credit (Form 8586), enhanced oil recovery credit

(Form 8830), disabled access credit (Form 8826), and renewable electricity production credit (Form 8835).

If you have only one of these credits, no carryback or carryforward, and the credit is not from a passive activity, you do not have to file Form 3800. Instead, file only the applicable credit form. If you only have a current year low-income housing credit, you do not have to file Form 3800.

Carryback and Carryforward of Unused Credit

If you cannot use part or all of the credit because of the tax liability limitations, carry any excess back to each of the 3 preceding tax years, beginning with the earliest. If you have an unused credit after carrying it back, carry it forward to each of the 15 years after the year of the credit. Any "qualified business credits" (as defined in section 196(c)) that are unused after that 15-year carryforward period has expired (or at the time a taxpayer dies or goes out of business) may be taken as a deduction in the first tax year following the expiration of the 15-year carryforward period (or in the tax year in which the taxpayer's death or cessation of business occurs). For purposes of this special deduction, only half of the following credits may be taken into account: (a) unused investment credit (other than a credit to which section 48(q)(3) applies as in effect prior to repeal by the Revenue Reconciliation Act of 1990), and (b) unused credit for increasing research activities.

Note: You cannot carry back: (1) the disabled access credit to years ending before November 5, 1990; (2) the enhanced oil recovery credit to years beginning before January 1, 1991; or (3) the renewable electricity production credit (attributable to closed-loop biomass as a qualified energy resource) to years ending before January 1, 1993.

Change in marital status.—Your general business credit is limited to your tax liability. Therefore, if you filed a joint return in a carryback or carryforward year and your marital status has changed, you may need to figure your separate tax liability in that carryback or carryforward year. This would apply, if:

- You filed as single in the credit year, but filed a joint return in the carryback or carryforward year.
- You filed a joint return in the credit year, but filed a joint return with a different spouse in the carryback or carryforward year.
- You were married and filed a separate return in the credit year, but filed a joint return with the same or a different spouse in the carryback or carryforward year.

Determine your separate tax liability in the carryback or carryforward year as follows:

1. Figure your tax for the carryback or carryforward year as though you were married filing a separate return.
2. Figure your spouse's tax in that year as though he or she was married filing a separate return.
3. Add the amounts in steps 1 and 2.
4. Divide the amount in step 1 by the amount in step 3.

5. Multiply the decimal in step 4 by the total tax shown on your joint return for the carryback or carryforward year. The result is your separate tax liability and a carryback or carryforward credit is applied against this amount only.

Although your carryback or carryforward of the credit is limited to your separate tax liability, your refund may be further limited.

The amount of your refund resulting from the carryback or carryforward is limited to your share of the joint overpayment. This is found by subtracting your separate tax liability (as determined above) from your contribution toward the payment.

Unless you have an agreement or clear evidence of each spouse's contribution toward the payment of the joint liability, your contribution includes the tax withheld on your wages and your share of the joint estimated tax or tax paid with the return. Your share of these payments is found by using the same formula used in determining your separate tax liability. Substitute the joint estimated tax, or tax paid with the return, for the tax in step 5. If the original return for the carryback year resulted in an overpayment, reduce your contribution by your share of the refund.

Attach a copy of the computation to your claim for refund showing how you made the allocations.

Credit ordering rule.—Although the investment, jobs, alcohol fuel, research, low-income housing, enhanced oil recovery, disabled access, and renewable electricity production credits are aggregated as the general business credit, you should keep separate records of these credits to ensure that no credits or deductions are lost. The general business credits are used in the

following order as of the close of the tax year in which the credit is used:

- Regular investment credit
- Rehabilitation investment credit
- Employee plan investment credit carryforward
- Energy investment credit
- Reforestation investment credit
- Jobs credit
- Credit for alcohol used as fuel
- Credit for increasing research activities
- Low-income housing credit
- Enhanced oil recovery credit
- Disabled access credit
- Renewable electricity production credit
- WIN credit carryforward
- Employee stock ownership plan (ESOP) credit carryforward

Specific Instructions

Parts I and II

Line 1.—Complete the applicable part (generally Part I) of the appropriate credit form(s) to figure your current year credit(s). Enter this amount on the applicable line 1 entry space(s) and attach the credit form(s) to your return.

Line 2.—Enter the amount of any credits included on lines 1a through 1h that are from a passive activity. Generally, a passive activity is a trade or business in which you did not materially participate. Rental activities are passive activities, whether or not you materially participate. See Form 8582-CR or Form 8810 for more details.

Line 4.—Enter the passive activity credit allowed for 1992 from Form 8582-CR or Form 8810. See the instructions for the applicable form for more information.

Line 5.—All carryforwards of unused investment, jobs, alcohol fuel, credit for increasing research activities, low-income housing, enhanced oil recovery, disabled access, WIN, and ESOP credits are added together and become a business credit carryforward to 1992.

For each credit, attach a detailed computation showing: (a) the tax year the credit originated, the amount of the credit, and the amount allowed for that year; (b) the year and the amount of the credit allowed after you applied the carryback; and (c) for each carryforward year, the year and the amount of the credit allowed after you applied the carryforward.

You must reduce the portion of the business credit carryforward attributable to the section 46(a)(1) regular investment credit and the sections 46(b)(2)(C) and

(D) business energy investment credit (as in effect prior to the repeal of these three sections by the Revenue Reconciliation Act of 1990) by 35% (.35). Use the following worksheet to compute the allowable portion and include the reduced credit on line 5. Do not include any portion of the credit attributable to qualified timber property.

1. Carryforward of applicable section 46(a)(1) regular and sections 46(b)(2)(C) and (D) energy ITC (prior to repeal by the Revenue Reconciliation Act of 1990) from prior years	\$	_____
2. Enter 35% (.35) of line 1 above	\$	_____
3. Subtract line 2 from line 1. This is the amount of the applicable regular and energy ITC carryforward you may use. Enter here and include with any other carryforwards on line 5 of Form 3800	\$	_____

If you cannot use all of the reduced credit because line 14 is smaller than line 7, carry forward to your next tax year in the carryforward period the unused portion of the credit and a corresponding portion of the 35% (.35) reduction. If, for example, you are able to use only half of the line 3 credit of the worksheet above in 1992, carry forward the other half of the credit and half of the 35% (.35) reduction.

Line 6.—Use only when you amend your 1992 return in subsequent years to carry back unused credits arising in later years.

Line 11.—Enter the tentative minimum tax (TMT) that was figured on the appropriate alternative minimum tax (AMT) form or schedule. Although you may not owe AMT, you must still compute the TMT to figure your credit.

Line 13.—If a husband and wife file separate returns, each must use \$12,500 instead of \$25,000. But if one of them has no current year credit (or no carryforwards or carrybacks to the current year), then the other may use the entire \$25,000 amount.

If you are a member of a controlled group, enter only your apportioned share of the \$25,000 amount.

For estates and trusts, the \$25,000 limitation is reduced by the same proportionate share of income that was allocated to the beneficiaries.

See section 38(c)(2)(C) and related regulations for limitations on the credit for mutual savings institutions, regulated investment companies, and real estate investment trusts.

Line 15.—If line 15 is smaller than line 7, see Carryback and Carryforward of Unused Credit on page 1.

Individuals, Estates, or Trusts.—If you are an individual, estate, or trust, the credit for increasing research activities on line 15 is limited to the amount of tax attributable to your taxable income from

the proprietorship, partnership, S corporation, estate, or trust generating the credit. Figure the research credit limitation separately for each business enterprise by using the following formula:

$$\frac{\text{Taxable income attributable to your interest in the unincorporated business, 1065, 1041, or 1120S entry}}{\text{Your taxable income for the year}} \times (\text{Line 12} - \text{line 13})$$

When using the formula, the result is limited to 100% of line 12 minus line 13. If in the current tax year you had no taxable income attributable to a particular business interest, you cannot claim any research credit this year related to that business.

If your credit for increasing research activities is limited by the above formula, enter on line 15 the total of the amount calculated above for the credit for increasing research activities plus the general business credit from other sources. Write "Sec. 41(g)" in the margin next to your entry on line 15.

Corporations.—If you are a corporation that has undergone a post-1986 "ownership change" (as defined in section 382(j)), sections 383 and 384 may limit the amount of tax, including the tax on built-in gains, that may be offset by prechange general business credits. If either of these limitations apply, attach your computation of the allowable general business credit, enter the amount on line 15, page 1, and write "Sec. 383" or "Sec. 384" on the dotted line to the left of line 15, page 1.

Schedule A

C corporations.—If you are a C corporation (i.e., any corporation other than an S corporation), you may be entitled to a larger general business credit or additional credit against the alternative minimum tax if: (a) you are claiming a regular investment credit carryforward on line 5, page 1; (b) some of that investment credit cannot be used because line 14, page 1, is smaller than line 7, page 1; and (c) you are required to file Form 4626, Alternative Minimum Tax—Corporations. You should complete Schedule A to determine whether you are entitled to this additional credit.

Line 34.—Reduce the amount of alternative minimum tax you report on your corporate income tax return (line 8a, Schedule J, Form 1120; line 6, Part I, Form 1120-A) by the amount on line 34. See the instructions for the appropriate line of your corporate income tax return for details on reporting.

Form **4562**

Depreciation and Amortization
(Including Information on Listed Property)

OMB No. 1545-0172

1992

Attachment Sequence No. **67**

Department of the Treasury Internal Revenue Service (1)

See separate instructions. Attach this form to your return.

Identifying number

Business or activity to which this form relates

Part I Election To Expense Certain Tangible Property (Section 179) (Note: If you have any "Listed Property," complete Part V before you complete Part I.)

1	Maximum dollar limitation (see instructions)	1	\$10,000
2	Total cost of section 179 property placed in service during the tax year (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	\$200,000
4	Reduction in limitation. Subtract line 3 from line 2, but do not enter less than -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1, but do not enter less than -0-	5	
(a) Description of property		(b) Cost	(c) Elected cost
6			
7	Listed property. Enter amount from line 26.	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from 1991 (see instructions)	10	
11	Taxable income limitation. Enter the smaller of taxable income or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 1993. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for automobiles, certain other vehicles, cellular telephones, computers, or property used for entertainment, recreation, or amusement (listed property). Instead, use Part V for listed property.

Part II MACRS Depreciation For Assets Placed in Service ONLY During Your 1992 Tax Year (Do Not Include Listed Property)

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
14 General Depreciation System (GDS) (see instructions):						
a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g Residential rental property			27.5 yrs.	MM	S/L	
h Nonresidential real property			31.5 yrs.	MM	S/L	
15 Alternative Depreciation System (ADS) (see instructions):						
a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part III Other Depreciation (Do Not Include Listed Property)

16	GDS and ADS deductions for assets placed in service in tax years beginning before 1992 (see instructions)	16	
17	Property subject to section 168(f)(1) election (see instructions)	17	
18	ACRS and other depreciation (see instructions)	18	

Part IV Summary

19	Listed property. Enter amount from line 25.	19	
20	Total. Add deductions on line 12, lines 14 and 15 in column (g), and lines 16 through 19. Enter here and on the appropriate lines of your return. (Partnerships and S corporations—see instructions)	20	
21	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs (see instructions)	21	

For Paperwork Reduction Act Notice, see page 1 of the separate instructions.

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Part V Listed Property—Automobiles, Certain Other Vehicles, Cellular Telephones, Computers, and Property Used for Entertainment, Recreation, or Amusement

For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 22a, 22b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation (Caution: See instructions for limitations for automobiles.)

22a Do you have evidence to support the business/investment use claimed? Yes No **22b** If "Yes," is the evidence written? Yes No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
23 Property used more than 50% in a qualified business use (see instructions):								
		%						
24 Property used 50% or less in a qualified business use (see instructions):								
		%				S/L -		
		%				S/L -		
		%				S/L -		
25	Add amounts in column (h). Enter the total here and on line 19, page 1.						25	
26	Add amounts in column (i). Enter the total here and on line 7, page 1.							26

Section B—Information Regarding Use of Vehicles—If you deduct expenses for vehicles:

Always complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
27	Total business/investment miles driven during the year (DO NOT include commuting miles)											
28	Total commuting miles driven during the year											
29	Total other personal (noncommuting) miles driven											
30	Total miles driven during the year. Add lines 27 through 29.											
31	Was the vehicle available for personal use during off-duty hours?											
32	Was the vehicle used primarily by a more than 5% owner or related person?											
33	Is another vehicle available for personal use?											

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B. Note: Section B must always be completed for vehicles used by sole proprietors, partners, or other more than 5% owners or related persons.

	Yes	No
34		
35		
36		
37		
38		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
39 Amortization of costs that begins during your 1992 tax year:					
40 Amortization of costs that began before 1992					40
41 Total. Enter here and on "Other Deductions" or "Other Expenses" line of your return					41

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 Department of the Treasury
 Internal Revenue Service

Instructions for Form 4562

Depreciation and Amortization

(Section references are to the Internal Revenue Code, unless otherwise noted.)

General Instructions

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that taxpayers are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping	35 hr., 17 min.
Learning about the law or the form	3 hr., 35 min.
Preparing and sending the form to the IRS	4 hr., 35 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. You can write to both the IRS and the Office of Management and Budget at the addresses listed in the instructions for the tax return with which this form is filed.

Purpose of Form

Use Form 4562 to claim your deduction for depreciation and amortization; to make the election to expense certain tangible property (section 179); and to provide information on the business investment use of automobiles and other listed property.

Who Must File

Except as otherwise noted, complete and file Form 4562 if you are claiming:

- Depreciation for property placed in service during the 1992 tax year;
- A section 179 expense deduction (which may include a carryover from a previous year);
- Depreciation on any listed property (regardless of when it was placed in service);
- The standard mileage rate;
- Any depreciation on a corporate income tax return (other than Form 1120S); or
- Amortization of costs that begins during the 1992 tax year.

However, do not file Form 4562 to report:

- Depreciation and information on the use of vehicles if you are an employee deducting job-related vehicle expenses using either the standard mileage rate or actual expenses (including depreciation). Instead, use Form 2106, Employee Business Expenses, for this purpose.

Information on the use of vehicles for which the standard mileage rate or actual expenses (other than depreciation) are being claimed on Schedule C-EZ (Form 1040), Net Profit From Business. Instead, use Part III of Schedule C-EZ for this purpose.

You should prepare and submit a separate Form 4562 for each business or activity on your return. If more space is needed, attach additional sheets. However, complete only one Part I in its entirety when computing your allowable section 179 expense deduction.

Definitions

Depreciation

Depreciation is the annual deduction allowed to recover the cost or other basis of business or income-producing property with a determinable useful life of more than 1 year. However, land and goodwill are not depreciable.

Depreciation starts when you first use the property in your business or for the production of income. It ends when you take the property out of service, deduct all your depreciable cost or other basis, or no longer use the property in your business or for the production of income.

If you acquired depreciable property for the first time in 1992, get Pub. 946, How To Begin Depreciating Your Property. For a more comprehensive guide on depreciation, get Pub. 534, Depreciation. For information on claiming depreciation on a car, get Pub. 917, Business Use of a Car.

Amortization

Amortization is similar to the straight line method of depreciation in that an annual deduction is allowed to recover certain costs over a fixed period of time. You can amortize such items as the costs of starting a business, reforestation, and pollution control facilities. For additional information, get Pub. 535, Business Expenses.

Listed Property

For a definition of "listed property" see Part V—Listed Property on page 4.

Recordkeeping

Except for Part V, relating to listed property, the IRS does not require you to submit detailed information with your return regarding the depreciation of assets placed in service in previous tax years. However, the information needed to compute your depreciation deduction (basis, method, etc.) must be part of your permanent records.

Because Form 4562 does not provide for permanent recordkeeping, you may use the depreciation worksheet on page 8 to assist you in maintaining depreciation records. However, the worksheet is designed only for

Federal income tax purposes. You may need to keep additional records for accounting and state income tax purposes.

Certification of Business Use Requirement for Aircraft Exempt From Luxury Tax

If you purchased a new aircraft in 1992 with a sales price of more than \$250,000, the 10% Federal luxury tax generally imposed on such a sale will not apply if at least 80% of your use of the aircraft (measured in hours of flight time) will be for business purposes. If you purchased an aircraft that was exempt from the luxury tax solely for this reason, you must attach a statement to your income tax return for each of the 2 tax years ending after the date the aircraft was placed in service. On this statement, you must certify that at least 80% of your use of the aircraft during the tax year was in a trade or business. If you fail to make this certification, you must pay a tax equal to the luxury tax that would have been imposed on the sale of the aircraft if the business use exemption had not applied. In addition, interest is imposed on the tax from the date of sale of the aircraft.

If you do not pay the tax when due because you failed to meet this requirement, no depreciation may be claimed on the aircraft for any tax year.

See the instructions for Form 720, Quarterly Federal Excise Tax Return, for more information on paying the tax and interest due.

Specific Instructions

Part I—Election To Expense Certain Tangible Property (Section 179)

Note: An estate or trust cannot make this election. If you are married filing separately, see section 179(b)(4) for special limitations.

You may make an irrevocable election to expense part of the cost of certain tangible personal property used in your trade or business and certain other property described in Pub. 534. To do so, you must have purchased the property (as defined in section 179(d)(2)) and placed it in service during the 1992 tax year.

The election must be made with:

1. The original return you file for the tax year the property was placed in service (whether or not you file your return on time), or
2. An amended return filed no later than the due date (including extensions) for your return for the tax year the property was placed in service.

If you elect this deduction, reduce the amount on which you figure your depreciation

or amortization deduction by the section 179 expense deduction.

Section 179 property does not include:

1. Property used 50% or less in your trade or business.
2. Property held for investment (section 212 property), or
3. Property you lease to others (if you are a noncorporate lessor) unless (a) you manufactured or produced the property or (b) the term of the lease is less than 50% of the property's class life, and for the first 12 months after the property is transferred to the lessee, the sum of the deductions related to the property that are allowed to you solely under section 162 (except rents and reimbursed amounts) is more than 15% of the rental income from the property.

The section 179 expense deduction is subject to two separate limitations, both of which are figured in Part I:

1. A dollar limitation and
2. A taxable income limitation.

In the case of a partnership, these limitations apply to the partnership and each partner. In the case of an S corporation, these limitations apply to the S corporation and each shareholder. In the case of a controlled group, all component members are treated as one taxpayer.

Line 1

The maximum amount of section 179 deduction you can claim is \$10,000. If you are married filing separately, your maximum deduction is \$5,000, unless you and your spouse elect otherwise. However, the total deduction for both of you cannot be more than \$10,000. If you are married filing separately, cross out the preprinted "\$10,000" on line 1 and enter in the margin "\$5,000" (or whatever other amount you elect, not to exceed \$10,000 for both spouses).

Line 2

Enter the cost of all section 179 property placed in service during the tax year. Be sure to include amounts from any listed property from Part V.

Line 5

If you placed \$210,000 or more of section 179 property in service during the 1992 tax year, you cannot elect to expense any property. If line 5 is zero, skip lines 6 through 11, enter zero on line 12, and enter the carryover of disallowed deduction from 1991, if any, on line 13.

Line 6

Caution: Do not include any listed property on line 6.

Column (a).—Enter a brief description of the property for which you are making the election (e.g., truck, office furniture, etc.).

Column (b).—Enter the cost of the property. If you acquired the property through a trade-in, do not include any un depreciated basis of the assets you traded in. Get Pub. 551, Basis of Assets, for more information.

Column (c).—Enter the amount that you elect to expense. You do not have to elect to expense the entire cost of the property. Whatever amount you do not elect to

expense can be depreciated. See the line 14 and line 15 instructions.

To report your share of a section 179 expense deduction from a partnership or an S corporation, instead of completing columns (a) and (b), write "from Schedule K-1 (Form 1065) or "from Schedule K-1 (Form 1120S)" across the columns.

Line 9

The tentative deduction represents the amount you may expense in 1992 or carry over to 1993. If this amount is less than the taxable income limitation on line 11, you may expense the entire amount. If this amount is more than line 11, you may expense in 1992 only an amount equal to line 11. Any excess may be carried over to 1993.

Line 10

The carryover of disallowed deduction from 1991 is the amount of section 179 property, if any, elected to be expensed in previous years, but not allowed as a deduction due to the taxable income limitation. If you filed Form 4562 for 1991, enter the amount from line 13 of your 1991 Form 4562. For additional information, see Pub. 534.

Line 11

The section 179 expense deduction is further limited to the "taxable income" limitation under section 179(b)(3).

For an individual, enter the aggregate taxable income from any active trade or business computed without regard to any section 179 expense deduction or the deduction for one-half of self-employment taxes under section 164(f). Include in aggregate taxable income the wages, salaries, tips, and other compensation you earned as an employee. If you are married filing a joint return, combine the aggregate taxable incomes for both you and your spouse. For all other entities, enter the taxable income computed without regard to any section 179 expense deduction. In any case, do not enter more than line 5.

Line 12

The limitations on lines 5 and 11 apply to the taxpayer, and not to each separate business or activity. Therefore, if you have more than one business or activity, you may allocate your allowable section 179 expense deduction among them. To do so, write "Summary" at the top of Part I of the separate Form 4562 you are completing for the aggregate amounts from all businesses or activities. Do not complete the rest of that form. On line 12 of the Form 4562 you prepare for each separate business or activity, enter the amount allocated to the business or activity from the "Summary." No other entry is required in Part I of the separate Form 4562 prepared for each business or activity.

Part II—MACRS Depreciation For Assets Placed in Service ONLY During Your 1992 Tax Year

Note: The term "Modified Accelerated Cost Recovery System" (MACRS) includes the General Depreciation System and the Alternative Depreciation System. Generally, MACRS is used to depreciate any tangible

property placed in service after 1986. However, MACRS does not apply to films, videotapes, and sound recordings. See section 168(f) for other exceptions.

Depreciation may be an adjustment for alternative minimum tax purposes. For details, get Form 4626, Alternative Minimum Tax—Corporations; Form 6251, Alternative Minimum Tax—Individuals; or Schedule H of Form 1041, U.S. Fiduciary Income Tax Return.

Lines 14a Through 14h—General Depreciation System (GDS)

Note: Use lines 14a through 14h only for assets placed in service during the tax year beginning in 1992 and depreciated under the General Depreciation System, except for automobiles and other listed property (which are reported in Part V).

Column (a).—Determine which property you acquired and placed in service during the tax year beginning in 1992. Then, sort that property according to its classification (3-year property, 5-year property, etc.) as shown in column (a) of lines 14a through 14h. The classifications for some property are shown below. For property not shown, see Determining the classification on page 3.

- 3-year property includes (a) a race horse that is more than 2 years old at the time it is placed in service and (b) any horse (other than a race horse) that is more than 12 years old at the time it is placed in service.
- 5-year property includes (a) automobiles; (b) light general purpose trucks; (c) typewriters, calculators, copiers, and duplicating equipment; (d) any semi-conductor manufacturing equipment; (e) any computer or peripheral equipment; (f) any section 1245 property used in connection with research and experimentation; and (g) certain energy property specified in section 168(e)(3)(B)(v).
- 7-year property includes (a) office furniture and equipment; (b) appliances, carpets, furniture, etc., used in residential rental property; (c) railroad track; and (d) any property that does not have a class life and is not otherwise classified.

- 10-year property includes (a) vessels, barges, tugs, and similar water transportation equipment; (b) any single purpose agricultural or horticultural structure (see section 168(i)(13)); and (c) any tree or vine bearing fruit or nuts.
- 15-year property includes (a) any municipal wastewater treatment plant and (b) any telephone distribution plant and comparable equipment used for 2-way exchange of voice and data communications.
- 20-year property includes any municipal sewers.

• Residential rental property is a building in which 80% or more of the total rent is from dwelling units.

• Nonresidential real property is any real property that is neither residential rental property nor property with a class life of less than 27.5 years.

• 80-year property includes any improvements necessary to construct or improve a roadbed or right-of-way for railroad track that qualifies as a railroad grading or tunnel bore under section 168(e)(4).

There is no separate line to report 50-year property. Therefore, attach a statement showing the same information as required in columns (a) through (g). Include the deduction in the line 20 "Total" and write "See attachment" in the bottom margin of the form.

Determining the classification.—If your depreciable property is not listed above, determine the classification as follows: First, find the property's class life. The class life of most property can be found in the Table of Class Lives and Recovery Periods in Pub. 534. Next, use the following table to find the classification in column (b) that corresponds to the class life of the property in column (a).

(a) Class life (in years) (See Pub. 534)	(b) Classification
4 or less	3-year property
More than 4 but less than 10	5-year property
10 or more but less than 16	7-year property
16 or more but less than 20	10-year property
20 or more but less than 25	15-year property
25 or more	20-year property

Column (b).—For lines 14g and 14h, enter the month and year the property was placed in service. If property held for personal use is converted to use in a trade or business or for the production of income, treat the property as being placed in service on the date of conversion.

Column (c).—To find the basis for depreciation, multiply the cost or other basis of the property by the percentage of business/investment use. From that result, subtract any section 179 expense deduction and the amount of any enhanced oil recovery credit (section 43). See section 50(c) to determine the basis adjustment for investment credit property.

Column (d).—See the "Note" in the instructions for line 14, column (f), for an election you can make to use the 150% declining balance method of depreciation (for 3-, 5-, 7-, and 10-year property). If you do not elect to use the 150% method, determine the recovery period from the table below:

In the case of:	The applicable recovery period is:
3-year property	3 yrs.
5-year property	5 yrs.
7-year property	7 yrs.
10-year property	10 yrs.
15-year property	15 yrs.
20-year property	20 yrs.
Residential rental property	27.5 yrs.
Nonresidential real property	31.5 yrs.
Railroad gradings and tunnel bores	50 yrs.

If you elect the 150% declining balance method, you must use the recovery period under the Alternative Depreciation System (ADS) discussed in the line 15 instructions. You will not have an adjustment for alternative minimum tax purposes on the property for which you make this election.

Column (e).—The applicable convention determines the portion of the tax year for which depreciation is allowable during a year

property is either placed in service or disposed of. There are three types of conventions (discussed below). To select the correct convention, you must know when you placed the property in service and the type of property.

Half-year convention (HY).—This convention applies to all property reported on lines 14a through 14f, unless the mid-quarter convention applies. It does not apply to residential rental property, nonresidential real property, and railroad gradings and tunnel bores. It treats all property placed in service (or disposed of) during any tax year as placed in service (or disposed of) on the mid-point of such tax year.

Mid-quarter convention (MQ).—If the aggregate bases of property subject to depreciation under section 168 and placed in service during the last 3 months of your tax year exceed 40% of the aggregate bases of property subject to depreciation under section 168 and placed in service during the entire tax year, the mid-quarter, instead of the half-year, convention applies.

The mid-quarter convention treats all property placed in service (or disposed of) during any quarter as placed in service (or disposed of) on the mid-point of such quarter.

In determining whether the mid-quarter convention applies, do not take into account:

- Property that is being depreciated under the pre-1987 rules;
- Any residential rental property, nonresidential real property, or railroad gradings and tunnel bores; and
- Property that is placed in service and disposed of within the same tax year.

Mid-month convention (MM).—This convention applies ONLY to residential rental property, nonresidential real property (lines 14g or 14h), and railroad gradings and tunnel bores. It treats all property placed in service (or disposed of) during any month as placed in service (or disposed of) on the mid-point of such month.

Enter "HY" for half-year; "MQ" for mid-quarter; or "MM" for mid-month convention.

Column (f).—Applicable depreciation methods are prescribed for each classification of property. For 3-, 5-, 7-, and 10-year property the applicable method is the 200% declining balance method, switching to the straight line method in the first tax year that maximizes the depreciation allowance.

Note: You may make an irrevocable election to use the 150% declining balance method for one or more classes of property (except for residential rental property, nonresidential real property, any railroad grading or tunnel bore, or any tree or vine bearing fruit or nuts). If you make this election, see Lines 15e Through 15c—Alternative Depreciation System (ADS) for the recovery period.

For 15- and 20-year property, and property used in a farming business, the applicable method is the 150% declining balance method, switching to the straight line method in the first tax year that maximizes the depreciation allowance.

For residential rental property, nonresidential real property, any railroad grading or tunnel bore, or any tree or vine bearing fruit or nuts, the only applicable method is the straight line method.

You may also make an irrevocable election to use the straight line method for all property within a classification that is placed in service during the tax year.

Enter "200 DB" for 200% declining balance; "150 DB" for 150% declining balance; or "SL" for straight line.

Column (g).—To compute the depreciation deduction you may use optional Tables A through D on page 7. To do this, multiply the applicable rate from the appropriate table by the property's unadjusted basis (column (c)) (see Pub. 534 for complete tables). Or you may compute the deduction yourself by completing the following steps:

Step 1.—Determine the depreciation rate as follows:

- If you are using the 200% or 150% declining balance method in column (f), divide the declining balance rate (use 2.00 for 200 DB or 1.50 for 150 DB) by the number of years in the recovery period in column (d). For example, for property depreciated using the 200 DB method over a recovery period of 5 years, divide 2.00 by 5 for a rate of 40%.

- If you are using the straight line method, divide 1.00 by the remaining number of years in the recovery period as of the beginning of the tax year (but not less than one). For example, if there are 6½ years remaining in the recovery period as of the beginning of the year, divide 1.00 by 6.5 for a rate of 15.38%.

Note: If you are using the 200% or 150% DB method, be sure to switch to the straight line rate in the first year that the straight line rate exceeds the declining balance rate.

Step 2.—Multiply the percentage rate determined in Step 1 by the property's unrecovered basis (cost or other basis reduced by any section 179 expense deduction and all prior years' depreciation).

Step 3.—For property placed in service or disposed of during the current tax year, multiply the result from Step 2 by the applicable decimal amount from the tables below (based on the convention shown in column (e)).

Half-year (HY) convention	.50	
Mid-quarter (MQ) convention	Placed in service (or disposed of) during the:	Disposed of
1st quarter	0.875	0.125
2nd quarter	0.625	0.375
3rd quarter	0.375	0.625
4th quarter	0.125	0.875
Mid-month (MM) convention	Placed in service (or disposed of) during the:	Disposed of
1st month	0.9583	0.0417
2nd month	0.8750	0.1250
3rd month	0.7917	0.2083
4th month	0.7083	0.2917
5th month	0.6250	0.3750
6th month	0.5417	0.4583
7th month	0.4583	0.5417
8th month	0.3750	0.6250
9th month	0.2917	0.7083
10th month	0.2083	0.7917
11th month	0.1250	0.8750
12th month	0.0417	0.9583

Short tax years.—See Pub. 534 for rules on how to compute the depreciation deduction for property placed in service in a short tax year.

Lines 15a Through 15c.—Alternative Depreciation System (ADS)

Note: Lines 15a through 15c should be completed for assets, other than automobiles and other listed property, placed in service ONLY during the tax year beginning in 1992 and depreciated under the Alternative Depreciation System. Depreciation on assets placed in service in prior years is reported on line 16.

Under ADS, depreciation is computed by using the applicable depreciation method, the applicable recovery period, and the applicable convention. The following types of property must be depreciated under ADS:

- Any tangible property used predominantly outside the United States;
- Any tax-exempt use property;
- Any tax-exempt bond financed property;
- Any imported property covered by an executive order of the President of the United States; and
- Any property used predominantly in a farming business and placed in service during any tax year in which you made an election under section 263A(d)(3).

Instead of depreciating property under GDS (line 14), you may make an irrevocable election with respect to any classification of property for any tax year to use ADS. For residential rental and nonresidential real property, you may make this election separately for each property.

Column (a).—Use the following rules to determine the classification of the property under ADS:

- **Class life.** Under ADS, the depreciation deduction for most property is based on the property's class life, which can be found in the Table of Class Lives and Recovery Periods in Pub. 534. Use line 15a for all property depreciated under ADS, except for property that does not have a class life, residential rental and nonresidential real property, and railroad gradings and tunnel bores.

Note: See section 168(g)(2)(B) for a special rule for determining the class life for certain property.

- **12-year.** Use line 15b for property that does not have a class life.

- **40-year.** Use line 15c for residential rental and nonresidential real property.

• **Railroad gradings and tunnel bores** are 50-year property under ADS. There is no separate line to report 50-year property. Therefore, attach a statement showing the same information as required in columns (a) through (g). Include the deduction in the line 20 "Total" and write "See attachment" in the bottom margin of the form.

Column (b).—For 40-year property, enter the month and year it was placed in service or was converted to use in a trade or business or for the production of income.

Column (c).—See the instructions for line 14, column (c).

Column (d).—On line 15a, enter the property's class life.

Column (e).—Under ADS, the applicable conventions are the same as those used under GDS. See the instructions for line 14, column (e).

Column (f).—Under ADS, the only applicable method is the straight line method.

Column (g).—The depreciation deduction is computed in the same manner as under GDS except you must apply the straight line method over the ADS recovery period and use the applicable convention.

Part III—Other Depreciation

Note: Do not use Part III for automobiles and other listed property. Instead, report this property in Part V on page 2 of Form 4562.

Use Part III for:

- ACRS property (pre-1987 rules);
- Property placed in service before 1981;
- Certain public utility property, which does not meet certain normalization requirements;
- Certain property acquired from related persons;
- Property acquired in certain nonrecognition transactions; and
- Certain sound recordings, movies, and videotapes.

Line 16

For assets placed in service after 1986 and depreciated under post-'86 rules, enter the GDS and ADS deduction for the current year. To compute the deduction, see the instructions for column (g), line 14.

Line 17

Report property that you elect, under section 168(h)(1), to depreciate under the unit-of-production method or any other method not based on a term of years (other than the retirement-replacement-betterment method).

Attach a separate sheet showing (a) a description of the property and the depreciation method you elect that excludes the property from ACRS or MACRS; and (b) the depreciable basis (cost or other basis reduced, if applicable, by salvage value, enhanced oil recovery credit, and the section 179 expense deduction). See section 50(c) to determine the basis adjustment for investment credit property.

Line 18

Enter the total depreciation attributable to assets, other than automobiles and other listed property, placed in service before 1981 (pre-ACRS), property subject to ACRS, or property that cannot otherwise be depreciated under ACRS. For ACRS property, multiply the property's unadjusted basis by the applicable percentage as follows:

- 5-year property—1st year (15%), 2nd year (22%), 3rd through 5th years (21%);
- 10-year property—1st year (8%), 2nd year (14%), 3rd year (12%), 4th through 6th years (10%), 7th through 10th years (9%);
- 15-year public utility property—1st year (8%), 2nd year (10%), 3rd year (9%), 4th year (8%), 5th and 6th years (7%), 7th through 15th years (6%);
- 15-year, 18-year, and 19-year real property and low-income housing—Use the tables in Pub. 534.

If you elected an alternate percentage for any property listed above, use the straight line method over the recovery period you

chose in the prior year. See Pub. 534 for more information and tables.

Include any amounts attributable to the Class Life Asset Depreciation Rate (CLADR) system. If you previously elected the CLADR system, you must continue to use it to depreciate assets left in your vintage accounts. You must continue to meet recordkeeping requirements.

Prior years' depreciation, plus current year's depreciation, can never exceed the depreciable basis of the property.

The basis and amounts claimed for depreciation should be part of your permanent books and records. No attachment is necessary.

Part IV—Summary

Line 20

A partnership or S corporation does not include any section 179 expense deduction (line 12) on this line. Any section 179 expense deduction is passed through separately to the partners and shareholders on the appropriate line of their Schedules K-1.

Line 21

If you are subject to the uniform capitalization rules of section 263A, enter the increase in basis from costs that are required to be capitalized. For a detailed discussion of who is subject to these rules, which costs must be capitalized, and allocation of costs among activities, see Temp. Regs. section 1.263A-1T.

Part V—Listed Property

Taxpayers claiming the standard mileage rate, actual vehicle expenses (including depreciation), or depreciation on other listed property, must provide the information requested in Part V, regardless of the tax year the property was placed in service. However, for taxpayers claiming vehicle expenses (including the standard mileage rate) on Form 2106 or Schedule C-EZ (Form 1040), this information is reported on those forms, instead of Part V. Listed property includes, but is not limited to:

- Passenger automobiles weighing 6,000 pounds or less;
- Any other property used for transportation if the nature of the property lends itself to personal use, such as motorcycles, pick-up trucks, etc.
- Any property used for entertainment or recreational purposes (such as photographic, phonographic, communication, and video recording equipment).
- Cellular telephones (or other similar telecommunications equipment).
- Computers or peripheral equipment.

Listed property does not include (a) photographic, phonographic, communication, or video equipment used exclusively in a taxpayer's trade or business or at the taxpayer's regular business establishment; (b) any computer or peripheral equipment used exclusively at a regular business establishment and owned or leased by the person operating the establishment; or (c) an ambulance, hearse, or vehicle used for transporting persons or property for hire.

Section A—Depreciation

Lines 23 and 24

Qualified business use.—For purposes of determining whether to use line 23 or line 24 to report your listed property, you must first determine the percentage of qualified business use for each property. Generally, a qualified business use is any use in your trade or business. However, it does not include:

- Any investment use;
- Leasing the property to a 5% owner or related person;
- The use of the property as compensation for services performed by a 5% owner or related person; or
- The use of the property as compensation for services performed by any person (who is not a 5% owner or related person), unless an amount is included in that person's income for the use of the property and, if required, income tax was withheld on that amount.

As an exception to the general rule, if at least 25% of the total use of any aircraft during the tax year is for a qualified business use, the leasing or compensatory use of the aircraft by a 5% owner or related person is considered a qualified business use.

Determine your percentage of qualified business use in a manner similar to that used to figure the business/investment use percentage in column (c). Your percentage of qualified business use may be smaller than the business/investment use percentage.

For more information, see Pub. 534.

Column (a).—List on a property-by-property basis all of your listed property in the following order:

1. Automobiles and other vehicles; and
2. Other listed property (computers and peripheral equipment, etc.).

In column (a), list the make and model of automobiles, and give a general description of other listed property.

If you have more than five vehicles used 100% for business/investment purposes, you may group them by tax year. Otherwise, list each vehicle separately.

Column (b).—Enter the date the property was placed in service. If property held for personal use is converted to business/investment use, treat the property as placed in service on the date of conversion.

Column (c).—Enter the percentage of business/investment use. For automobiles and other vehicles, this is determined by dividing the number of miles the vehicle is driven for trade or business purposes or for the production of income during the year (not to include any commuting mileage) by the total number of miles the vehicle is driven for any purpose. Treat vehicles used by employees as being used 100% for business/investment purposes if the value of personal use is included in the employees' gross income, or the employees reimburse the employer for the personal use.

Employers who report the amount of personal use of the vehicle in the employee's gross income, and withhold the appropriate taxes, should enter "100%" for the percentage of business/investment use. For more information, see Pub. 917. For listed property (such as computers or video

equipment), allocate the use based on the most appropriate unit of time the property is actually used. See Temp. Regs. section 1.2605-6T.

If you have property that is used solely for personal use that is converted to business/investment use during the tax year, figure the percentage of business/investment use only for the number of months the property is used in your business or for the production of income. Multiply that percentage by the number of months the property is used in your business or for the production of income, and divide the result by 12.

Column (d).—Enter the property's actual cost or other basis (unadjusted for prior years' depreciation). If you traded in old property, your basis is the adjusted basis of the old property (figured as if 100% of the property's use had been for business purposes) plus any additional amount you paid for the new property. Reduce your basis by any diesel fuel tax credit if the property is a vehicle. For property purchased after 1986, add to your basis any sales tax paid on the property.

If you converted the property from personal use to business use, your basis for depreciation is the smaller of the property's adjusted basis or its fair market value on the date of conversion.

Column (e).—Multiply column (d) by the percentage in column (c). From that result, subtract any section 179 expense deduction and half of any investment credit taken before 1986 (unless you took the reduced credit).

For automobiles and other listed property placed in service after 1985 (i.e., transition property), reduce the depreciable basis by the entire investment credit.

Column (f).—Enter the recovery period. For property placed in service after 1986 and used more than 50% in a qualified business use, use the table in the line 14, column (d) instructions. For property placed in service after 1986 and used 50% or less in a qualified business use, you must depreciate the property using the straight line method over its ADS recovery period. The ADS recovery period is 5 years for automobiles and computers.

Column (g).—Enter the method and convention used to figure your depreciation deduction. See the instructions for line 14, columns (e) and (f). Write "200 DB," "150 DB," or "SL," for the depreciation method, and "HY," "MM," or "MQ," for half-year, mid-month, or mid-quarter conventions, respectively. For property placed in service before 1987, write "PRE" if you used the prescribed percentages under ACRS. If you elected an alternate percentage, enter "SL."

Column (h).—
Caution: See *Limitations for automobiles below before entering an amount in column (h).*

If the property is used more than 50% in a qualified business use (line 23), and the property was placed in service after 1986, figure column (h) by following the instructions for line 14, column (g). If placed in service before 1987, multiply column (e) by the applicable percentages given in the line 18 instructions for ACRS property. If the recovery period for the property ended before

your tax year beginning in 1992, enter your unrecovered basis, if any, in column (h).

If the property is used 50% or less in a qualified business use (line 24), and the property was placed in service after 1986, figure column (h) by dividing column (e) by column (f) and using the same conventions as discussed in the instructions for line 14, column (g). For automobiles placed in service after June 18, 1984, and before 1987, enter your unrecovered basis, if any, in column (h).

For computers placed in service after June 18, 1984, and before 1987, multiply column (e) by 8.333%.

For property placed in service before 1987 that was disposed of during the year, enter zero.

Limitations for automobiles.—The depreciation deduction plus section 179 expense deduction for automobiles is limited for any tax year. The limitation depends on when you placed the property in service. Use Table E on page 7 to determine the limitation. For any automobile you list on line 23 or 24, the total of columns (h) and (i) for that automobile cannot exceed the limit shown in Table E.

Note: These limitations are further reduced when the business/investment use percentage (column (c)) is less than 100%. For example, if an automobile placed in service in 1992 is used 60% for business/investment purposes, then the first year depreciation plus section 179 expense deduction is limited to 60% of \$2,700, which is \$1,656.

Column (i).—Enter the amount you choose to expense for section 179 property used more than 50% in a qualified business use (subject to the limitations for automobiles noted above). Refer to the Part I instructions to determine if the property qualifies under section 179. Be sure to include the total cost of such property on line 2, page 1.

Recapture of depreciation and section 179 expense deduction.—If any listed property was used more than 50% in a qualified business use in the year it was placed in service, and used 50% or less in a later year, you may have to recapture in the later year part of the depreciation and section 179 expense deduction. Use Form 4797, Sales of Business Property, to figure the recapture amount.

Section B—Information Regarding Use of Vehicles

The information requested in Questions 27 through 33 must be completed for each vehicle identified in Section A.

Employees must provide their employers with the information requested in Questions 27 through 33 for each automobile or vehicle provided for their use.

Employers providing more than five vehicles to their employees, who are not more than 5% owners or related persons, are not required to complete Questions 27 through 33 for such vehicles. Instead, they must obtain this information from their employees, check "Yes" to Question 37, and retain the information received as part of their permanent records.

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

For employers providing vehicles to their employees, a written policy statement regarding the use of such vehicles, if initiated and kept by the employer, will relieve the employee of keeping separate records for substantiation.

Two types of written policy statements will satisfy the employer's substantiation requirements under section 274(d): (a) a policy statement that prohibits personal use including commuting; and (b) a policy statement that prohibits personal use except for commuting.

Line 34

A policy statement that prohibits personal use (including commuting) must meet the following conditions:

- The vehicle is owned or leased by the employer and is provided to one or more employees for use in the employer's trade or business;

- When the vehicle is not used in the employer's trade or business, it is kept on the employer's business premises, unless it is temporarily located elsewhere, for example, for maintenance or because of a mechanical failure;

- No employee using the vehicle lives at the employer's business premises;

- No employee may use the vehicle for personal purposes, other than de minimis personal use (such as a stop for lunch between two business deliveries); and

- Except for de minimis use, the employer reasonably believes that no employee uses the vehicle for any personal purpose.

Line 35

A policy statement that prohibits personal use (except for commuting) is NOT available if the commuting employee is an officer, director, or 1% or more owner. This policy must meet the following conditions:

- The vehicle is owned or leased by the employer and is provided to one or more

employees for use in the employer's trade or business and is used in the employer's trade or business;

- For bona fide noncompensatory business reasons, the employer requires the employee to commute to and/or from work in the vehicle;

- The employer establishes a written policy under which the employee may not use the vehicle for personal purposes, other than commuting or de minimis personal use (such as a stop for a personal errand between a business delivery and the employee's home);

- Except for de minimis use, the employer reasonably believes that the employee does not use the vehicle for any personal purpose other than commuting; and

- The employer accounts for the commuting use by including an appropriate amount in the employee's gross income.

For both written policy statements, there must be evidence that would enable the IRS to determine whether use of the vehicle meets the conditions stated above.

Line 38

An automobile is considered to have qualified demonstration use if the employer maintains a written policy statement that:

- Prohibits its use by individuals other than full-time automobile salesmen;

- Prohibits its use for personal vacation trips;

- Prohibits storage of personal possessions in the automobile; and

- Limits the total mileage outside the salesman's normal working hours.

Part VI—Amortization

Each year you may elect to deduct part of certain capital costs over a fixed period. If you amortize property, the part you amortize does not qualify for the election to expense certain tangible property or depreciation.

For individuals reporting amortization of bond premium for bonds acquired before October 23, 1986, do not report the deduction here. See the instructions for Schedule A (Form 1040).

For taxpayers (other than corporations) claiming a deduction for amortization of bond premium for bonds acquired after October 22,

1986, but before January 1, 1988, the deduction is treated as interest expense and is subject to the investment interest limitations. Use Form 4852, Investment Interest Expense Deduction, to compute the allowable deduction.

For taxable bonds acquired after 1987, the amortization offsets the interest income. Get Pub. 550, Investment Income and Expenses.

Line 39

Complete line 39 only for those costs for which the amortization period begins during your tax year beginning in 1992.

Column (a).—Describe the costs you are amortizing. You may amortize—

- Pollution control facilities (section 169, limited by section 291 for corporations);
- Certain bond premiums (section 171);

- Research and experimental expenditures (section 174);

- Qualified forestation and reforestation costs (section 194);

- Business start-up expenditures (section 195);

- Organizational expenditures for a corporation (section 248) or partnership (section 709);

- Optional write-off of certain tax preferences over the period specified in section 59(e).

Column (b).—Enter the date the amortization period begins under the applicable Code section.

Column (c).—Enter the total amount you are amortizing. See the applicable Code section for limits on the amortizable amount.

Column (d).—Enter the Code section under which you amortize the costs.

Column (e).—Compute the amortization deduction by:

1. Dividing column (c) by the number of years over which the costs are to be amortized; or

2. Multiplying column (c) by the percentage in column (e).

Attach any other information the Code and regulations may require to make a valid election. See Pub. 535 for more information.

Line 40

Enter the amount of amortization attributable to those costs for which the amortization period began before 1992.

Form **4626**

Alternative Minimum Tax—Corporations
(including environmental tax)

OMB No. 1545-0175

1992

Department of the Treasury
Internal Revenue Service

▶ See separate instructions.
▶ Attach to the corporation's tax return.

Name _____ Employer identification number _____

1 Taxable income or (loss) before net operating loss deduction. (Important: See instructions if the corporation is subject to the environmental tax.)		1	
2 Adjustments:			
a Depreciation of tangible property placed in service after 1986	2a		
b Amortization of certified pollution control facilities placed in service after 1986	2b		
c Amortization of mining exploration and development costs paid or incurred after 1986	2c		
d Amortization of circulation expenditures paid or incurred after 1986 (personal holding companies only)	2d		
e Basis adjustments in determining gain or loss from sale or exchange of property	2e		
f Long-term contracts entered into after February 28, 1986	2f		
g Installment sales of certain property	2g		
h Merchant marine capital construction funds	2h		
i Section 83(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)	2i		
j Tax shelter farm activities (personal service corporations only)	2j		
k Passive activities (closely held corporations and personal service corporations only)	2k		
l Certain loss limitations	2l		
m Other adjustments	2m		
n Combine lines 2a through 2m		2n	
3 Tax preference items:			
a Depletion	3a		
b Tax-exempt interest from private activity bonds issued after August 7, 1986	3b		
c Appreciated property charitable deduction	3c		
d Intangible drilling costs	3d		
e Reserves for losses on bad debts of financial institutions	3e		
f Accelerated depreciation of real property placed in service before 1987	3f		
g Accelerated depreciation of leased personal property placed in service before 1987 (personal holding companies only)	3g		
h Amortization of certified pollution control facilities placed in service before 1987	3h		
i Add lines 3a through 3h			3i
4 Pre-adjustment alternative minimum taxable income (AMTI). Combine lines 1, 2n, and 3i			4
5 Adjusted current earnings (ACE) adjustment:			
a Enter the corporation's ACE from line 10 of the worksheet on page 7 of the instructions	5a		
b Subtract line 4 from line 5a. If line 4 exceeds line 5a, enter the difference as a negative number (see instructions for examples)	5b		
c Multiply line 5b by 75% and enter the result as a positive number	5c		
d Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments (see instructions). Note: You must enter an amount on line 5d (even if line 5b is positive)	5d		
e ACE adjustment:		5e	
• If you entered a positive number or zero on line 5b, enter the amount from line 5c on line 5e as a positive amount.			
• If you entered a negative number on line 5b, enter the smaller of line 5c or line 5d on line 5e as a negative amount.			
6 Combine lines 4 and 5e. If zero or less, stop here (the corporation is not subject to the alternative minimum tax).		6	
7 Adjustment based on energy preferences. (Do not enter more than 40% of line 6.)		7	
8 Alternative tax net operating loss deduction. (Do not enter more than the excess, if any, of: (a) 90% of line 6, over (b) line 7.)		8	
9 Alternative minimum taxable income. Subtract the sum of lines 7 and 8 from line 6		9	

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 12955f

Form **4626** (1992)

Form 4626 (1992)

Page 2

10 Enter the amount from line 9 (alternative minimum taxable income)		10
11 Exemption phase-out computation (if line 10 is \$310,000 or more, skip lines 11a and 11b and enter -0- on line 11c):		
a Subtract \$150,000 from line 10 (if you are completing this line for a member of a controlled group of corporations, see instructions). If the result is zero or less, enter -0-	11a	
b Multiply line 11a by 25%	11b	
c Exemption. Subtract line 11b from \$40,000 (if you are completing this line for a member of a controlled group of corporations, see instructions). If the result is zero or less, enter -0-		11c
12 Subtract line 11c from line 10. If the result is zero or less, enter -0-		12
13 Multiply line 12 by 20%		13
14 Alternative minimum tax foreign tax credit. (See instructions for limitations.)		14
15 Tentative minimum tax. Subtract line 14 from line 13		15
16 Regular tax liability before all credits except the foreign tax credit and possessions tax credit		16
17 Alternative minimum tax. Subtract line 16 from line 15. If the result is zero or less, enter -0-. Also enter the result on the line provided on the corporation's income tax return (e.g., if you are filing Form 1120 for 1992, enter this amount on line 9a, Schedule J)		17
18 Environmental tax. Subtract \$2,000,000 from line 6 (computed without regard to the corporation's environmental tax deduction) and multiply the excess, if any, by 0.12% (.0012). Enter the result here and on the line provided on the corporation's income tax return (e.g., if you are filing Form 1120 for 1992, enter this amount on line 9b, Schedule J). If you are completing this line for a member of a controlled group of corporations, see instructions.		18

1992



Department of the Treasury
Internal Revenue Service

Instructions for Form 4626

Alternative Minimum Tax—Corporations

Section references are to the Internal Revenue Code unless otherwise noted.

General Instructions Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping	18 hr., 53 min.
Learning about the law or the form	13 hr., 55 min.
Preparing and sending the form to the IRS	14 hr., 50 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. You can write to both the IRS and the Office of Management and Budget at the addresses listed in the instructions for the tax return with which this form is filed.

A Change To Note

We have relocated lines 11 and 12 of last year's adjusted current earnings (ACE) adjustment worksheet in the instructions to lines 5b and 5c of the form. We added lines 5d and 5e to the form to help you compute the corporation's allowable ACE adjustment (particularly when a potential negative ACE adjustment is limited under section 56(g)(2)(B)).

Who Must File

File Form 4626 if the corporation's taxable income or (loss) before the net operating loss (NOL) deduction when combined with its adjustments and tax preference items (including the ACE adjustment) totals more than the smaller of: (a) \$40,000, or (b) its allowable exemption amount.

Short Period Return

If this is a short period return, use the formula in section 443(d) to determine the corporation's alternative minimum taxable income (AMTI) and alternative minimum tax (AMT).

Apportionment of Differently Treated Items in Case of Certain Entities

If you are preparing Form 4626 for a regulated investment company, a real estate investment trust, or a common trust fund, see section 59(d).

Credit for Prior Year Minimum Tax

See Form 8827, Credit for Prior Year Minimum Tax—Corporations, for details concerning the computation of the credit.

Specific Instructions

Line 1.—Enter the corporation's taxable income or (loss) before the NOL deduction. For example, if you file Form 1120, subtract line 29b from line 28.

Important: If the corporation is subject to the environmental tax, you will generally need to figure that tax on line 18 before completing line 1 (see instructions for line 18).

Line 2a. Depreciation of tangible property placed in service after 1986 (or after July 31, 1986, if you made the transitional election under section 203(a)(1)(B) of the Tax Reform Act of 1986).

Caution: Do not include depreciation adjustments attributable to passive activities or tax shelter farm activities on line 2a. Instead, include them on line 2j or 2k.

The depreciation expense allowable for regular tax purposes under section 167 with respect to any tangible property placed in service after 1986 must be recomputed for AMT purposes under the alternative depreciation system (ADS) described in section 168(g) as follows:

1. For any real property described in section 1250(c) (generally nonresidential real and residential rental), use the straight line method over 40 years with the same mid-month convention used for regular tax purposes;

2. For any tangible property (other than the real property described in 1 above) for which depreciation for regular tax purposes is determined using the straight line method, recompute the depreciation expense using the straight line method over the property's class life with the same convention used for regular tax purposes;

3. For all tangible property other than property described in 1 or 2 above, use the 150% declining balance method, switching to the straight line method the first tax year it gives a larger deduction over the property's class life. Use the same convention used for regular tax purposes.

In applying the above rules:

1. The class life you use for AMT purposes is not necessarily the same as the recovery period used for regular tax purposes. The class lives you use for AMT purposes are listed in Rev. Proc. 87-56, 1987-2 C.B. 674, or in Pub. 534, Depreciation. Use 12 years for any tangible personal property that does not have an assigned class life.

2. See Rev. Proc. 87-57, 1987-2 C.B. 687, for optional tables (14 through 18) that you can use to figure depreciation for AMT purposes. (These optional tables also appear in Pub. 534.)

3. Do not make an adjustment for: (a) property for which the corporation made a section 186(g)(7) election (to use the ADS of section 168(g)) for regular tax purposes; (b) property expensed under section 179 for regular tax purposes; or (c) property described in sections 168(f)(1) through (4); and

4. You must take into consideration the transitional rules (described in section 56(a)(1)(C)) and the normalization rules (described in section 56(a)(1)(D)).

Subtract the recomputed AMT expense from the depreciation expense claimed for regular tax purposes and enter the result on line 2a. If the recomputed AMT expense is more than the depreciation expense claimed for regular tax purposes, enter the difference as a negative amount.

Note: Depreciation that is capitalized to inventory under the uniform capitalization rules must be refigured using the rules described above.

Line 2b. Amortization of certified pollution control facilities placed in service after 1986.—The amortization deduction claimed for regular tax purposes is not allowed for AMT purposes.

For AMT purposes, use the ADS described in section 168(g) (i.e., use the straight line method over the facility's class life). The facility's class life is listed in Rev. Proc. 87-56 or in Pub. 534.

Note: Section 168(g) applies to 100% of the asset's amortizable basis. Do not reduce the corporation's AMT basis by the 20% section 291 adjustment that applied for regular tax purposes.

Subtract the recomputed AMT expense from the expense claimed for regular tax purposes and enter the result on line 2b. If the recomputed AMT expense is more than the expense claimed for regular tax purposes, enter the difference as a negative amount.

Line 2c. Amortization of mining exploration and development costs paid or incurred after 1986.—If, for regular tax purposes, the corporation elected the optional 10-year writeoff under section 59(e) for all assets in this category, skip this line (no adjustment is necessary).

The deduction claimed for regular tax purposes under sections 616(a) and 617(a) is not allowed for AMT purposes. Instead, capitalize those costs and amortize them ratably over a 10-year period beginning with the tax year in which the corporation made them.

Note: The 10-year amortization applies to 100% of the mining development and exploration costs paid or incurred during the tax year. Do not reduce the corporation's AMT basis by the 30% section 291 adjustment that applied for regular tax purposes.

Subtract the recomputed AMT expense from the expense claimed for regular tax purposes and enter the result on line 2c. If the recomputed AMT expense is more than the expense claimed for regular tax purposes, enter the difference as a negative amount.

See section 56(a)(2)(B) if the corporation had a loss from any mine or other natural deposit (other than an oil, gas, or geothermal well).

Line 2d. Amortization of circulation expenditures paid or incurred after 1986 (personal holding companies only).—If, for regular tax purposes, the corporation elected the optional 3-year writeoff under section 59(e) for all of these expenditures, skip this line (no adjustment is necessary).

The deduction claimed for regular tax purposes (under section 173) for these expenditures incurred after 1986 is not allowed for AMT purposes. For AMT purposes, capitalize these expenditures and amortize them ratably over a 3-year period beginning with the tax year in which the corporation made them.

Subtract the recomputed AMT expense from the expense claimed for regular tax purposes and enter the result on line 2d. If the recomputed AMT expense is more than the expense claimed for regular tax purposes, enter the difference as a negative amount.

See section 56(b)(2)(B) if the corporation had a loss from circulation expenditures deducted under section 173.

Line 2e. Basis adjustments in determining gain or loss from sale or exchange of property.—If, during the tax year, the corporation disposed of property for which you are making (or have previously made) any of the adjustments described in lines 2a through 2d above, recompute the property's adjusted basis for AMT purposes. Then recompute the gain or loss on the disposition.

The property's adjusted basis for AMT purposes is its cost minus all applicable depreciation or amortization deductions allowed for AMT purposes during the current tax year and previous tax years. Subtract this recomputed basis from the sales price to arrive at the gain or loss for AMT purposes.

Note: The corporation may also have gains or losses from lines 2j, 2k, and 2l that must be taken into consideration on line 2e. For example, if for regular tax purposes the corporation reports a loss from the disposition of an asset used in a passive activity, include the loss in the computations for line 2k to determine whether any passive activity loss is limited for AMT purposes. Then, include the portion of the AMT passive activity loss allowed that pertains to the disposition of the asset on line 2e in determining the corporation's AMT basis adjustment. It may be helpful to refigure Form 8810 and related worksheets and Schedule D (Form 1120), Form 4684 (Section B), or Form 4797 for AMT purposes.

Enter the difference between the gain or loss for regular tax purposes and the recomputed gain or loss for AMT purposes. Enter the difference as a negative amount if:

- The gain recomputed for AMT purposes is less than the gain computed for regular tax purposes. OR
- The loss recomputed for AMT purposes is more than the loss computed for regular tax purposes. OR
- The corporation recomputed a loss for AMT purposes and computed a gain for regular tax purposes.

Line 2f. Long-term contracts entered into after February 28, 1986.—For AMT purposes, use the percentage-of-completion method rules described in section 460(b) to determine the taxable income from any "long-term contract" (defined in section 460(f)) entered into after February 28, 1986. However, this rule does not apply to: (1) any "home construction contract" (as defined in section 460(e)(6)) entered into after June 20, 1988, for which the corporation meets the "small" home construction contract requirements of section 460(e)(1)(B) or (2) any home construction contract entered into in a tax year beginning after September 30, 1990, regardless of whether the corporation meets the "small" home construction contract requirements of section 460(e)(1)(B).

Note: In the case of a contract described in section 460(e)(1), determine the percentage of the contract completed using the simplified procedures for allocating costs outlined in section 460(b)(4).

Subtract the income reported for regular tax purposes from the income recomputed for AMT purposes and enter the difference on line 2f. If the recomputed AMT income is less than the income reported for regular tax purposes, enter the difference as a negative amount.

Line 2g. Installment sales of certain property.—For either of the following kinds of dispositions in which the corporation used the installment method for regular tax purposes, refigure its income for AMT purposes without regard to the installment method:

1. Any disposition after March 1, 1986, of property used or produced in the corporation's farming business that it held primarily for sale to customers.
2. Any nondealer disposition of property that occurred after August 16, 1986, but before the first day of the corporation's tax year that began in 1987, if an obligation that arose from the disposition was an installment obligation to which the proportionate disallowance rule applied.

Enter on line 2g the difference between the income recomputed for AMT purposes and the income reported for regular tax purposes. If the income reported for regular tax purposes is more than the income recomputed for AMT purposes, enter the difference as a negative amount.

Line 2h. Merchant marine capital construction funds.—Amounts deposited in these funds (established under section 607 of the Merchant Marine Act of 1936) after 1986 are not deductible for AMT purposes. Earnings on these funds are not excludable from gross income for AMT purposes. If the corporation deducted these amounts or excluded them from income for regular tax purposes, add them back on line 2h. See section 56(c)(2) for more information.

Line 2i. Section 833(b) deduction (Blue Cross, Blue Shield, and similar type

organizations only).—This deduction is not allowed for AMT purposes. If the corporation took this deduction for regular tax purposes, add it back on line 2i.

Line 2j. Tax shelter farm activities (personal service corporations only).—Complete line 2j only if the corporation has a gain or loss from a tax shelter farm activity (as defined in section 58(a)(2)) that is not a passive activity. If the tax shelter farm activity is a passive activity, you must include the gain or loss in the computations for line 2k below.

Recompute all gains and losses reported for regular tax purposes from tax shelter farm activities by taking into account the corporation's AMT adjustments and tax preference items.

Important: To avoid duplication, do not include any AMT adjustment or tax preference item taken into account on line 2j in the amounts to be entered on any other line of this form.

Determine the corporation's tax shelter farm activity gain or loss for AMT purposes using the same rules used for regular tax purposes with the following modification: No recomputed loss is allowed, except to the extent the personal service corporation is insolvent (see section 58(c)(1)). Do not use a recomputed loss in the current tax year to offset gains from other tax shelter farm activities. Instead, suspend any recomputed loss and carry it forward indefinitely until: (1) the corporation has a gain in a subsequent tax year from that same tax shelter farm activity, OR (2) it disposes of the activity.

Note: The amount of any tax shelter farm activity loss that is not deductible (and is therefore carried forward) for AMT purposes is likely to differ from the amount (if any) that is suspended and carried forward for regular tax purposes. Keep adequate records for both AMT purposes and regular tax purposes.

Enter on line 2j the difference between the gain or loss recomputed for AMT purposes and the gain or loss reported for regular tax purposes. Enter the difference as a negative amount if the corporation:

- Reported a loss for AMT purposes and a gain for regular tax purposes, OR
- Recomputed a loss for AMT purposes that exceeds the loss reported for regular tax purposes. OR
- Reported a gain for regular tax purposes that exceeds the gain recomputed for AMT purposes.

Line 2k. Passive activities (closely held corporations only).—Recompute all passive activity gains and losses reported for regular tax purposes by taking into account the corporation's AMT adjustments, tax preference items, and AMT prior year unallowed losses.

Important: To avoid duplication, do not include any AMT adjustment or tax preference item taken into account on line 2k in the amounts to be entered on any other line of this form.

Determine the corporation's passive activity gain or loss for AMT purposes using the same rules used for regular tax purposes. If the corporation is insolvent, see section 58(c)(1).

Disallowed losses of a personal service corporation are suspended until the corporation has income from that (or any other) passive activity, or until the passive activity is disposed of (i.e., its passive losses cannot offset "net active income" (defined in section 469(e)(2)(B)) or "pctfolo income"). Disallowed losses of a closely held corporation that is not a personal service corporation are treated the same except that, in addition, they may be used to offset "net active income."

Note: The amount of any passive activity loss that is not deductible (and is therefore suspended and carried forward) for AMT purposes is likely to differ from the amount (if any) that is carried forward for regular tax purposes. Keep adequate records for both AMT purposes and regular tax purposes.

Enter on line 2k the difference between the gain or loss recomputed for AMT purposes and the gain or loss reported for regular tax purposes. Enter the difference as a negative amount if the corporation:

- Reported a loss for AMT purposes and a gain for regular tax purposes, OR
- Recomputed a loss for AMT purposes that exceeds the loss reported for regular tax purposes, OR
- Reported a gain for regular tax purposes that exceeds the gain recomputed for AMT purposes.

Tax shelter farm activities that are passive activities.—Recompute all gains and losses reported for regular tax purposes by taking into account the corporation's AMT adjustments, tax preference items, and AMT prior year unallowed losses.

Important: To avoid duplication, do not include any AMT adjustment or tax preference item taken into account here in the amounts to be entered on any other line of this form.

Take into account these recomputed gains and losses when figuring the corporation's passive activity gain or loss for AMT purposes described above. Use the same rules outlined above, with the following additional modification: Recomputed gains from tax shelter farm activities that are passive activities may be used to offset recomputed losses from other passive activities. However, recomputed losses from tax shelter farm activities that are passive activities may not be used to offset recomputed gains from other passive activities. (Recomputed losses from tax shelter farm activities that are passive activities are disallowed and must be suspended and carried forward as explained in the instructions for line 2j.)

Line 2l. Certain loss limitations.—Recompute gains and losses reported for regular tax purposes from at-risk activities and partnerships by taking into account the corporation's AMT adjustments and tax preference items. If the corporation has recomputed losses that must (in accordance with section 59(h)) be limited for AMT purposes by section 465 or by section 704(d) OR if, for regular tax purposes, the corporation reported losses from at-risk activities or partnerships that were limited by those sections, compute the difference between the loss limited for AMT purposes and the loss limited for regular tax purposes for each applicable at-risk activity or partnership. If the loss limited for regular tax purposes is more than the loss limited for

AMT purposes, enter the difference as a negative amount.

Line 2m. Other adjustments.—Include on this line:

1. Income eligible for the possessions tax credit.—The corporation's AMT must not include any income (from the sources described in section 936(a)(1)) that is eligible for the possessions tax credit of section 936. If you included this type of income in the corporation's taxable income for regular tax purposes, enter the amount on line 2m as a negative amount.

2. Income with respect to the alcohol fuel credit.—The corporation's AMT must not include any amount with respect to the alcohol fuel credit that was included in the corporation's gross income under section 87. If this type of income was included in the corporation's income for regular tax purposes, enter the amount on line 2m as a negative amount.

3. Income as the beneficiary of an estate or trust.—If the corporation is the beneficiary of an estate or trust, enter the minimum taxable income adjustment from Schedule K-1 (Form 1041), line 8.

Line 3a. Depletion.—In the case of mines, wells, and other natural deposits, enter the amount by which the corporation's depletion deduction under section 611 exceeds the adjusted basis of the property at the end of the corporation's tax year. In computing the year-end adjusted basis, use the rules of section 1016; however, do not reduce basis by the current year's depletion deduction.

Figure the excess separately for each property. If the depletion deduction for any property does not exceed the property's year-end adjusted basis, do not reduce line 3a by that shortfall. (In other words, do not use a shortfall for one property to offset the excess of depletion deduction over adjusted basis for any other property.)

Note: In the case of iron ore and coal (including lignite), apply the section 291 adjustment before figuring this tax preference item.

Line 3b. Tax-exempt interest from private activity bonds issued after August 7, 1986.—Enter interest earned on specified private activity bonds reduced by any deduction that would have been allowable if the interest were includable in gross income for regular tax purposes. Generally, a "specified private activity bond" is any private activity bond (as defined in section 141) issued after August 7, 1986. See section 57(a)(5) for exceptions and for more information.

Line 3c. Appreciated property charitable deduction.—Enter the amount by which the corporation's charitable contribution deduction allowable under section 170 would be reduced if all capital gain property were taken into account at its adjusted basis (rather than its fair market value).

For these purposes, "capital gain property" has the same meaning given by section 170(b)(1)(C)(iv), except that it does not include any property to which an election under section 170(b)(1)(C)(iii) applies. In the case of a contribution made before July 1, 1992, the term does not include any tangible personal property.

Line 3d. Intangible drilling costs.—If, for regular tax purposes, the corporation elected the optional 60-month writeoff under section 59(e) for all assets in this category, skip this line (no adjustment is necessary).

Intangible drilling costs (IDCs) from oil, gas, and geothermal properties are a tax preference item to the extent that excess IDCs exceed 65% of the net income from the properties. The tax preference item is computed separately for geothermal deposits, and for oil and gas properties that are not geothermal deposits.

"Excess IDCs" are the excess of: (1) the amount of IDCs the corporation paid or incurred with respect to oil, gas, or geothermal properties that it elected to expense for regular tax purposes under section 263(c) (not including any section 263(c) deduction for nonproductive wells) reduced by the section 291 adjustment for integrated oil companies; over (2) the amount that would have been allowed if the corporation had amortized that amount over a 120-month period starting with the month the well was placed in production.

Note: If the corporation prefers not to use the 120-month period, it can elect to use any method that is permissible in determining cost depletion.

"Net income" is the gross income the corporation received or accrued from oil, gas, and geothermal wells minus the deductions allocable to these properties (reduced by the excess IDCs).

Line 3e. Reserves for losses on bad debts of financial institutions.—Enter the excess of: (1) the deduction allowable for a reasonable addition to a reserve for bad debts of a financial institution to which section 593 applies (reduced by the section 291 adjustment), over (2) the amount that would have been allowable had the financial institution maintained its bad debt reserve for all tax years on the basis of actual experience.

Line 3f. Accelerated depreciation of real property placed in service before 1987.—Enter the excess of the depreciation claimed for the property for regular tax purposes over the depreciation allowable for AMT purposes as figured using the straight line method. Figure this amount separately for each property and include only positive adjustments on line 3f. For 15-, 18-, or 19-year real property, use the straight line method over 15, 18, or 19 years, respectively. For low-income housing property, use the straight line method over 15 years.

Line 3g. Accelerated depreciation of leased personal property placed in service before 1987 (personal holding companies only).—For leased personal property, other than recovery property, enter the excess of the depreciation claimed for the property for regular tax purposes over the depreciation allowable for AMT purposes as figured using the straight line method. Figure this amount separately for each property and include only positive adjustments on line 3g.

For leased recovery property, other than 15-, 18-, or 19-year real property, or low-income housing, enter the amount by which the corporation's depreciation deduction for regular tax purposes is more than the deduction allowable for AMT

purposes using the straight line method over the following recovery period:

5-year property	8 years
10-year property	15 years
15-year public utility property	22 years

Line 3h. Amortization of certified pollution control facilities placed in service before 1987.—If for regular tax purposes the corporation made an election under section 169 to amortize the basis of a certified pollution control facility over a 60-month period, compute the tax preference for each facility as follows:

1. Reduce the current year amortization deduction by the 20% section 291 adjustment;
2. Reduce the result in 1 above by the deduction the corporation would have been allowed under section 167; and
3. Multiply the result in 2 above by 59%. Include only positive adjustments on line 3h.

Adjusted Current Earnings Adjustment

Lines 5e through 5e

If you are preparing Form 4626 for a regulated investment company or a real estate investment trust, skip lines 5a through 5e (they do not apply).

Line 5a.—If you are preparing Form 4626 for an affiliated group that has filed a consolidated tax return for the current tax year under the rules of section 1501, you must figure line 5a on a consolidated basis.

The following examples illustrate the manner in which line 4 is subtracted from line 5a to arrive at the amount to enter on line 5b:
Example 1: Corporation A has line 5a ACE of \$25,000. If Corporation A has line 4 pre-adjustment AMT in the amounts shown below, its line 4 pre-adjustment AMT and line 5a ACE would be combined as shown below to determine the amount to enter on line 5b:

Line 5a ACE	\$25,000	\$25,000	\$25,000
Line 4 pre-adjustment AMT	10,000	30,000	50,000
Amount to enter on line 5b	\$15,000	\$5,000	\$75,000

Example 2: Corporation B has line 5a ACE of negative \$25,000. If Corporation B has line 4 pre-adjustment AMT in the amounts shown below, its line 4 pre-adjustment AMT and line 5a ACE would be combined as shown below to determine the amount to enter on line 5b:

Line 5a ACE	\$25,000	\$25,000	\$25,000
Line 4 pre-adjustment AMT	10,000	50,000	20,000
Amount to enter on line 5b	\$15,000	\$5,000	\$75,000

Line 5d.—Section 56(g)(2)(B) provides that a potential negative ACE adjustment (i.e., a negative amount on line 5d multiplied by 75%) is allowed as a negative ACE adjustment on line 5e only to the extent that the corporation's total increases in AMT from prior year ACE adjustments exceed its total reductions in AMT from prior year ACE adjustments (line 5c). The purpose of line 5d is to provide a "running balance" of this limitation amount. As such, you must keep adequate records (e.g., a copy of Form 4626 completed at least through line 6) from year

to year (even in years in which the corporation does not owe any AMT).

Regulations section 1.56(g)-1(a)(2)(g) provides that any potential negative ACE adjustment that is not allowed as a negative ACE adjustment in a tax year because of the line 5d limitation may not be used to reduce a positive ACE adjustment in any other tax year.

Enter on line 5d the positive ACE adjustment, if any, from line 5c of the 1990 Form 4626 plus or minus the positive or negative ACE adjustment, if any, from line 5 of the 1991 Form 4626. Do not enter a negative amount on line 5d for the reason given in the preceding paragraph.

Example 3: Corporation C, a calendar-year corporation, has ACE and pre-adjustment AMT in the following amounts for 1990 through 1993:

Year	ACE	Pre-adjustment AMT
1990	\$700,000	\$800,000
1991	\$300,000	\$200,000
1992	400,000	500,000
1993	(100,000)	300,000

Corporation C subtracts its pre-adjustment AMT from its ACE in each of the years and then multiplies the result by 75% to arrive at the following potential ACE adjustments for 1990 through 1993:

Year	ACE minus pre-adjustment AMT	Potential ACE adjustment
1990	\$100,000	\$75,000
1991	\$300,000	225,000
1992	(100,000)	(75,000)
1993	(400,000)	(300,000)

Under these facts, Corporation C has the following increases or reductions in AMT for 1990 through 1993:

Year	Increase or (reduction) in AMT from ACE adjustment
1990	\$0
1991	225,000
1992	(75,000)
1993	(150,000)

Detailed explanation of Example 3:

In 1990, Corporation C was not allowed to reduce its AMT by any portion of the potential negative ACE adjustment because it had no increases in AMT from prior year ACE adjustments.

In 1991, Corporation C had to increase its AMT by the full amount of its potential ACE adjustment. Corporation C was not allowed to use any portion of its 1990 unallowed potential negative ACE adjustment of \$75,000 to reduce any portion of its 1991 positive ACE adjustment of \$225,000 because Regulations section 1.56(g)-1(a)(2)(g) prevents a negative adjustment that was not allowed under section 56(g)(2) in one tax year from reducing a positive ACE adjustment in any other tax year.

In 1992, Corporation C is allowed to reduce its AMT by the full amount of its potential negative ACE adjustment since that amount is less than its line 5d limit of \$225,000. Corporation C would complete the relevant portion of its 1992 Form 4626 as follows:

Line	Amount
5a	\$400,000
5b	(100,000)
5c	75,000
5d	225,000
5e	(75,000)

In 1993, Corporation C is allowed to reduce its AMT by only \$150,000 (i.e., its line 5d limit). Its potential negative ACE adjustment of \$300,000 is limited to its 1991 increase in AMT of \$225,000 minus its 1992 reduction in AMT of \$75,000. Furthermore, Regulations section 1.56(g)-1(a)(2)(g) prevents Corporation C from using the remaining \$150,000 of its potential negative ACE adjustment to reduce positive ACE adjustments in other tax years.

Line 7. Adjustment based on energy preferences.—In computing the AMT of any taxpayer other than an integrated oil company, an adjustment is allowed equal to the smaller of: (a) the alternative tax energy preference deduction (as defined in section 56(h)(3)) or (b) 40% of line 6 of Form 4626. This amount is phased out as oil prices increase (see section 56(h)(2)).

See section 56(h) for additional details.

Line 8. Alternative tax net operating loss deduction.—The corporation's alternative tax net operating loss deduction (ATNOLD) is the NOL determined for regular tax purposes under section 172, except that:

1. In the case of a loss year beginning after 1986, the NOL determined for regular tax purposes from that loss year must be: (a) reduced by the positive AMT adjustments and increased by the negative AMT adjustments provided in sections 56 and 58, and (b) reduced by the tax preference items determined under section 57 (but only to the extent they increased the NOL determined for regular tax purposes).

2. In applying the rules outlined in section 172(b)(2) (relating to the determination of the amount of carrybacks and carryovers), use the modification to those rules described in section 56(d)(1)(B)(ii).

3. If, for any tax year beginning before 1987, the corporation had minimum tax that was deferred under section 56(b) (as in effect before the enactment of the Tax Reform Act of 1986) and that deferred tax has not been paid, reduce the amount of NOL carryovers that may be carried over to this year for AMT purposes by the corporation's tax preference items that gave rise to the deferred add-on minimum tax. (Section 701(b)(2)(B) of the Tax Reform Act of 1986.)

4. The corporation's ATNOLD is limited to the excess (if any) of: (a) 90% of its AMT computed without regard to its ATNOLD and the adjustment based on energy preferences (i.e., 90% of line 6, Form 4626), over (b) the adjustment based on energy preferences (i.e., line 7 of Form 4626).

Note: The amount of any NOL that is not deductible for AMT purposes may be carried back or carried over in accordance with the rules outlined in section 172(b). The amount carried back or carried over for AMT purposes is likely to differ from the amount (if any) that is carried back or carried over for regular tax purposes. Keep adequate records for both AMT purposes and regular tax purposes.

Exemption Phase-out Computation

Lines 11a through 11c

Line 11a.—In computing the reduction of the tentative exemption amount, the line 10 AMTI of all members of a controlled group of corporations must be taken into account and any decrease of the tentative exemption amount must be divided equally among the members (unless all of the members consent to an unequal allocation). If you are preparing Form 4626 for a member of a controlled group of corporations, subtract that member's share of the \$150,000 floor from the member's share of the combined line 10 AMTI of all members of the controlled group of corporations and enter the difference on line 11a. See section 1561 for additional information.

Line 11c.—All members of a controlled group of corporations are limited to one \$40,000 tentative exemption, which must be divided equally among the members (unless all of the members consent to an unequal allocation). If you are preparing Form 4626 for a member of a controlled group of corporations, reduce that member's share of the \$40,000 tentative exemption by the amount you entered on line 11b.

Line 14. Alternative minimum tax foreign tax credit.—Refigure the foreign tax credit claimed for regular tax purposes as follows:

1. For each separate limitation, recompute both the numerator (foreign source taxable income) and the denominator (worldwide taxable income) of the limitation fraction by taking into account the corporation's AMT adjustments and tax preference items;

2. Substitute line 13 of Form 4626 for the "total U.S. income tax against which the credit is allowed";

3. For each separate limitation, multiply the fraction in 1 above by the amount in 2 above to determine the recomputed limitation;

4. For each separate limitation, take the smaller of the total foreign taxes paid with respect to that separate limitation and the recomputed limitation from 3 above; and

5. Add the credits you recomputed for each separate limitation and enter the result on line 14.

Note: For purposes of determining whether any income is "high-taxed" in applying the separate income category limitations for the AMT foreign tax credit, use the AMT rate instead of the regular rate.

The AMT foreign tax credit is subject to a 90% limit (i.e., the credit cannot be more than the amount on line 13 minus 10% of the amount that would be on that line if Form 4626 were recomputed using zero on lines 7 and 8). The 90% limit does not apply to certain corporations that meet the requirements of section 59(a)(2)(C).

Note: With respect to any separate limitation, any AMT foreign tax credit the corporation cannot claim (because of the limitation fraction or the 90% limit discussed above) may be carried back or carried over in accordance with the rules outlined in section 904(c). However, foreign taxes paid or accrued in a tax year beginning after 1986 that were carried back (for regular tax purposes) to offset tax in a tax year beginning before 1987 may not be used in computing

the AMT foreign tax credit for the current tax year.

Note also: The amount of any foreign tax credit that the corporation cannot claim (and can therefore be carried back or carried over) for AMT purposes is likely to differ from the amount (if any) that is carried back or carried over for regular tax purposes. Keep adequate records for both AMT purposes and regular tax purposes.

Line 16.—Enter the corporation's regular tax liability for the tax year (as defined in section 26(b)) minus its foreign tax credit and its possessions tax credit. If you file Form 1120, this is line 3, Schedule J, minus the sum of lines 4a and 4b, Schedule J. Be sure to include any tax on accumulation distribution of trusts you computed on Form 4970. Do not include any increase in tax under section 49(b) or 50(a) due to recapture of investment credit computed on Form 4255 or any increase in tax under section 42(j) or (k) due to recapture of low-income housing credit computed on Form 8611.

Line 18. Environmental tax.—If you are preparing Form 4626 for a regulated investment company or a real estate investment trust, skip line 18 (it does not apply).

Compute the environmental tax as follows:

1. Complete line 1 of Form 4626 without taking into account any environmental tax deduction.

2. Complete lines 2a through 6 of Form 4626.

3. Skip lines 7 through 17 and compute the environmental tax on line 18 of Form 4626.

Note: If you are completing line 18 for a member of a controlled group of corporations, all members of the controlled group are limited to one \$2-million exemption, which must be divided equally among the members (unless all of the members consent to an unequal allocation). See section 1561 for additional information.

Then compute the AMT as follows:

Complete line 1 of Form 4626 taking into account any deduction the corporation is allowed for the environmental tax. Then complete lines 2a through 17 of Form 4626.

ACE Worksheet Instructions

If you are completing this worksheet for an affiliated group that has filed a consolidated tax return for the current tax year under the rules of section 1501, you must determine ACE on a consolidated basis.

Treatment of certain ownership changes.—If a corporation with a net unrealized built-in loss (within the meaning of section 382(h)) undergoes an ownership change (within the meaning of Regulations section 1.56(g)-1(b)(2)), adjust the adjusted basis of each asset of the corporation (immediately after the ownership change). The new adjusted basis of each asset is its proportionate share (based on respective fair market values) of the fair market value of the corporation's assets (determined under section 382(h)) immediately before the ownership change.

To determine if the corporation has a net unrealized built-in loss, use the aggregate

adjusted basis of its assets used for computing its ACE.

Note: Use these new adjusted bases for all future ACE calculations (such as depreciation and gain or loss on disposition of an asset).

Line 2a. Depreciation expense recomputed for AMT purposes.—Enter the depreciation expense you recomputed for AMT purposes (i.e., the total depreciation expense deducted in arriving at the pre-adjustment AMTI) reported on line 4 of Form 4626. Generally, the amount entered on this line is: (a) the depreciation expense the corporation claimed for regular tax purposes (Form 4562, line 20), modified by (b) the AMT depreciation adjustments reported on lines 2a, 3f, and 3g of Form 4626.

Line 2b(i). Property placed in service in a tax year beginning after 1989.—Depreciate the basis of this property using the ADS described in section 168(g). However, for property that is: (a) placed in service in a tax year beginning after 1989, and (b) described in sections 168(f)(1) through (4), use the same depreciation expense claimed for regular tax purposes and enter it on line 2b(v).

Line 2b(ii). Property placed in service in a tax year beginning before 1990 to which the modified accelerated cost recovery system (MACRS) applies (i.e., generally beginning after 1986 and before 1990).—Depreciate the adjusted basis of this property (which, for these purposes, is the adjusted basis of the property for AMT purposes as of the close of the last tax year beginning before 1990) using the straight line method over the remainder of the recovery period applicable to the property under the ADS of section 168(g). In doing so, use the convention that would have applied to the property under section 168(d). For more information (including an example that illustrates the application of these rules), see Regulations section 1.56(g)-1(b)(2).

Line 2b(iii). Property placed in service in a tax year beginning before 1990 to which the original accelerated cost recovery system (ACRS) applies (i.e., generally property placed in service in tax years beginning after 1980 and before 1987).—Depreciate the adjusted basis of this property (which, for these purposes, is the adjusted basis of the property for regular tax purposes as of the close of the last tax year beginning before 1990) using the straight line method over the remainder of the recovery period applicable to the property under the ADS of section 168(g). In doing so, use the convention that would have applied to the property under section 168(d) (without regard to section 168(d)(3)). For more information (including an example that illustrates the application of these rules), see Regulations section 1.56(g)-1(b)(3).

Line 2b(iv). Property described in sections 168(f)(1) through (4).—Use the depreciation expense claimed for regular tax purposes, regardless of when the property was placed in service.

Note: Line 2b(v) takes priority over lines 2b(i), 2b(ii), and 2b(iii) (i.e., for property that is described in sections 168(f)(1) through (4), use line 2b(v) instead of the line (2b(i), 2b(ii), or 2b(iii)) that would otherwise apply).

Line 2b(v). Other property (i.e., generally property placed in service before 1991 AND property placed in service after 1990 in a tax year beginning before 1990), that is excluded from the application of MACRS by section 168(f)(5)(A)(i) or original ACRS by section 168(e)(4), as in effect before the Tax Reform Act of 1986.—Use the depreciation expense claimed for regular tax purposes.

Line 2c. ACE depreciation adjustment.—Subtract line 2b(v) from line 2a and enter the result on line 2c. If line 2b(v) exceeds line 2a, enter the difference as a negative amount.

Inclusion in ACE of Items Included in Earnings and Profits (E&P)

Lines 3a through 3f

In general, any income item that is not "taken into account" (defined below) in determining the corporation's pre-adjustment AMTI but that is "taken into account" in determining its E&P must be included in determining ACE. Any such income item may be reduced by all items that relate to that income item and that would be deductible in computing your pre-adjustment AMTI if the income items to which they relate were included in the corporation's pre-adjustment AMTI for the tax year. Examples of adjustments for these income items include: (i) interest income from tax-exempt obligations excluded under section 103 minus any costs incurred in carrying these tax-exempt obligations; and (ii) proceeds of life insurance contracts excluded under section 101 minus the basis in the contract for purposes of ACE.

Note: Do not make an adjustment for any income from discharge of indebtedness excluded from gross income under section 108 or any corresponding provision of prior law.

An income item is considered "taken into account" without regard to the timing of its inclusion in a corporation's pre-adjustment AMTI or its E&P. Only income items that are "permanently excluded" from pre-adjustment AMTI are included in ACE. An income item will not be considered "taken into account" merely because the proceeds from that item might eventually be reflected in a corporation's pre-adjustment AMTI (e.g., that of a shareholder) on the liquidation or disposal of a business.

Line 3d.—Include in ACE the income on life insurance contracts (as determined under section 7702(g)) for the tax year minus the portion of any premium that is attributable to insurance coverage.

Disallowance of Items Not Deductible in Computing E&P

Lines 4a through 4f

Generally, no deduction is allowed in computing ACE for items not "taken into account" (defined below) in computing E&P for the tax year. These amounts increase ACE to the extent they are deductible in computing pre-adjustment AMTI (i.e., they would be positive adjustments). However, there are exceptions. Do not add back: (i) any deduction allowable under section 243 or 245 for any dividend that qualifies for a 100% dividends-received deduction under section 243(a), 245(b), or 245(c); and (ii) any dividend received from a "20-percent owned corporation" (as defined in section 243(c)(2)).

but only to the extent the dividend is attributable to income of the paying corporation that is subject to Federal income tax. Also see sections 56(g)(4)(C)(iii) and (iv) for special rules for dividends from section 936 companies and certain dividends received by certain cooperatives.

An item is considered "taken into account" without regard to the timing of its deductibility in computing pre-adjustment AMTI or E&P. Therefore, only deduction items that are "permanently disallowed" in computing E&P are disallowed in computing ACE.

Items described in Regulations section

1.56(g)-1(e) for which no adjustment is necessary.

Generally, no deduction is allowed for an item in computing ACE if the item is not deductible in computing pre-adjustment AMTI (even if the item is deductible in computing E&P). The only exceptions to this general rule are the related reductions to an income item described in the second sentence of the instructions for lines 3a through 3f above. Deductions that are not allowed in computing ACE include:

- Capital losses in excess of capital gains;
- Bribes, fines, and penalties disallowed under section 162;
- Charitable contributions in excess of the limitations of section 170;
- Meals and entertainment expenses in excess of the limitations of section 274;
- Federal taxes disallowed under section 275;
- Golden parachute payments in excess of the limitation of section 280G.

Note: No adjustment is necessary for these items since they were not allowed in computing pre-adjustment AMTI.

Line 5a. Intangible drilling costs.—For purposes of computing ACE, determine the deduction for intangible drilling costs (as defined in section 263(c)) in the manner provided in section 312(n)(2)(A).

Subtract the recomputed ACE expense (if any) from the expense recomputed for AMT purposes (in arriving at the preference amount to enter on line 3d of Form 4626) and enter the result on line 5a. If the total recomputed ACE expense exceeds the amount recomputed for AMT purposes, enter the result as a negative amount.

Line 5b. Circulation expenditures.—If, for regular tax and AMT purposes, the corporation elected the optional 3-year writeoff under section 59(e) for all of these expenditures, skip this line (no adjustment is necessary).

For purposes of computing ACE, the amortization provisions of section 173 do not apply to amounts paid or incurred in tax years beginning after 1989. Therefore, for ACE purposes, you must treat circulation expenditures in accordance with the case law that existed before section 173 was enacted.

Subtract the recomputed ACE expense (if any) from the expense claimed for regular tax purposes (or in the case of a personal holding company, from the expense recomputed for AMT purposes) in computing the adjustment to enter on line 2d of Form 4626 and enter the result on line 5b. If the total recomputed ACE expense exceeds the amount claimed for regular tax purposes (or in the case of a personal holding company, the amount

recomputed for AMT purposes), enter the result as a negative amount.

Line 5c. Organizational expenditures.—For purposes of computing ACE, the amortization provisions of section 248 do not apply to amounts paid or incurred in tax years beginning after 1989. Therefore, for ACE purposes, all organizational expenditures are charged to a capital account and are not taken into account until the corporation is sold or otherwise disposed of.

Enter on line 5c all amortization deductions for organizational expenditures taken for regular tax purposes during the tax year.

Line 5d. LIFO inventory adjustments.—The adjustments provided in section 312(n)(4) apply in computing ACE.

Line 5e. Installment sales.—For any installment sale in a tax year beginning after 1989, the corporation generally cannot use the installment method in computing ACE. However, it may use the installment method with respect to the applicable percentage (as determined under section 453A) of the gain from any installment sale to which section 453A(a)(1) applies.

Subtract the installment sale income reported for AMT purposes from the recomputed ACE income from the sales and enter the result on line 5e. If the recomputed ACE income from the sales is less than the amount reported for AMT purposes, enter the difference as a negative amount.

Line 6. Disallowance of loss on exchange of debt pools.—For purposes of computing ACE, the corporation may not recognize any loss on the exchange of any pool of debt obligations for another pool of debt obligations having substantially the same effective interest rates and maturities. Add back (i.e., enter as a positive adjustment) on line 6 any such loss to the extent recognized for regular tax purposes.

Line 7. Acquisition expenses of life insurance companies for qualified foreign contracts.—For purposes of computing ACE, acquisition expenses of life insurance companies for qualified foreign contracts (as defined in section 807(e)(4) without regard to the treatment of reinsurance contract rules of section 848(e)(5)) must be capitalized and amortized in accordance with the treatment generally required under generally accepted accounting principles (and in such a manner as if this rule applied to such contracts for all applicable tax years).

Subtract the recomputed ACE expense (if any) from the expense recognized for regular tax purposes and enter the result on line 7. If the total recomputed ACE expense exceeds the amount recognized for regular tax purposes, enter the result as a negative amount.

Line 8. Depletion.—For purposes of computing ACE, the allowance for depletion for any property placed in service in a tax year beginning after 1989 must be determined under the cost depletion method of section 611.

Subtract the recomputed ACE expense (if any) from the expense recomputed for AMT purposes (in arriving at the preference amount to enter on line 3a of Form 4626) and enter the result on line 8 of the worksheet. If the total recomputed ACE expense exceeds

the amount recomputed for AMT purposes, enter the result as a negative amount.

Line 9. Basis adjustments in determining gain or loss from sale or exchange of property.—If, during the tax year, the corporation disposed of property for which it is making (or has previously made) any of the ACE adjustments described in section 56(g), recompute the property's adjusted basis for

ACE purposes and then recompute the property's gain or loss.

Enter the difference between the gain or loss recomputed for AMT purposes (in arriving at the adjustment to enter on line 2e of Form 4526) and the recomputed gain or loss for ACE purposes. Enter the difference as a negative amount if:

- The gain recomputed for ACE purposes is less than the gain recomputed for AMT purposes, OR
- The loss recomputed for ACE purposes is more than the loss recomputed for AMT purposes, OR
- You recomputed a loss for ACE purposes and recomputed a gain for AMT purposes.

Adjusted Current Earnings Worksheet

▶ See ACE Worksheet Instructions (which begin on page 5).

1	Pre-adjustment AMTI (enter the amount from line 4 of Form 4626)		1
2	ACE depreciation adjustment:		
a	Depreciation expense recomputed for AMT purposes	2a	
b	Depreciation expense recomputed for ACE purposes:		
	(i) Post-1989 property	2b(i)	
	(ii) Pre-1990 MACRS property	2b(ii)	
	(iii) Pre-1990 original ACRS property	2b(iii)	
	(iv) Property described in sections 168(f)(1) through (4)	2b(iv)	
	(v) Other property	2b(v)	
	(vi) Total depreciation expense recomputed for ACE purposes (add lines 2b(i) through 2b(v))	2b(vi)	
c	ACE depreciation adjustment (subtract line 2b(vi) from line 2a)		2c
3	Inclusion in ACE of items included in earnings and profits (E&P):		
a	Tax-exempt interest income	3a	
b	Death benefits from life insurance contracts	3b	
c	All other distributions from life insurance contracts (including surrenders)	3c	
d	Inside buildup of undistributed income in life insurance contracts	3d	
e	Other items (see Regulations sections 1.56(g)-1(c)(6)(iii) through (ix) for a partial list)	3e	
f	Total increase to ACE due to inclusion in ACE of items included in E&P (add lines 3a through 3e)		3f
4	Disallowance of items not deductible in computing E&P:		
a	Certain dividends received	4a	
b	Dividends paid on certain preferred stock of public utilities that are deductible under section 247	4b	
c	Dividends paid to an ESOP that are deductible under section 404(k)	4c	
d	Nonpatronage dividends that are paid and deductible under section 1382(c)	4d	
e	Other items (see Regulations sections 1.56(g)-1(d)(3)(i) and (ii) for a partial list)	4e	
f	Total increase to ACE due to disallowance of items not deductible in computing E&P (add lines 4a through 4e)		4f
5	Other adjustments based on rules for computing E&P:		
a	Intangible drilling costs	5a	
b	Circulation expenditures	5b	
c	Organizational expenditures	5c	
d	LIFO inventory adjustments	5d	
e	Installment sales	5e	
f	Total other E&P adjustments (combine lines 5a through 5e)		5f
6	Disallowance of loss on exchange of debt pools		6
7	Acquisition expenses of life insurance companies for qualified foreign contracts		7
8	Depletion		8
9	Basis adjustments in determining gain or loss from sale or exchange of property		9
10	Adjusted current earnings. Combine lines 1, 2c, 3f, 4f, and 5f through 9. Enter the result here and on line 5a of Form 4626		10

Form **6765**

Credit for Increasing Research Activities (or for claiming the orphan drug credit)

OMB No. 1545-0619
1992
Attachment Sequence No. **81**

Department of the Treasury
Internal Revenue Service

▶ See separate instructions.
▶ Attach to your return.

Name(s) as shown on return

Identifying number

Part I Current Year Orphan Drug Credit (For costs incurred after June 30, 1992, see instructions.)

1	Qualified clinical testing expenses paid or incurred (do not include any amounts claimed as current year research expenses on line 18 below)	1	
2	Limitation. Multiply line 1 by 50% (.50) (see instructions).	2	
3	Flow-through orphan drug credit(s) from a partnership, S corporation, estate, or trust	3	
4	Current year orphan drug credit. Add lines 2 and 3.	4	

Part II Tax Liability Limitation for the Orphan Drug and Research Credits

5a	Individuals. Enter amount from Form 1040, line 40.	5	
b	Corporations. Enter amount from Form 1120, Schedule J, line 3 (Form 1120-A filers claiming the research credit, enter amount from Form 1120-A, Part I, line 1).		
c	Other filers. Enter regular tax before credits from your return.		
6	Credits that reduce regular tax before the orphan drug credit:		
a	Credit for child and dependent care expenses (Form 2441).	6a	
b	Credit for the elderly or the disabled (Schedule R (Form 1040)).	6b	
c	Foreign tax credit (Form 1118 or Form 1118).	6c	
d	Possessions tax credit (Form 5735).	6d	
e	Mortgage interest credit (Form 8396).	6e	
f	Add lines 6a through 6e.	6f	
7	Net regular tax. Subtract line 6f from line 5.	7	
8	Tentative minimum tax (see instructions):		
a	Individuals. Enter amount from Form 6251, line 20.	8	
b	Corporations. Enter amount from Form 4626, line 15.		
c	Estates and trusts. Enter amount from Form 1041, Schedule H, line 37.		
9	Excess of net regular tax over tentative minimum tax. Subtract line 8 from line 7.	9	
10	Orphan drug credit allowed for the current year. Enter here and on the appropriate line of your return the smaller of line 4 or line 9.	10	

Part III Current Year Credit for Increasing Research Activities (For costs incurred after June 30, 1992, see instructions.)

11	Basic research payments paid or incurred to qualified organizations	11	
12	Base period amount.	12	
13	Subtract line 12 from line 11. If less than zero, enter -0-	13	
	Qualified research expenses paid or incurred (lines 14-17):		
14	Wages for qualified services (do not include wages used in figuring the jobs credit)	14	
15	Cost of supplies	15	
16	Rental or lease costs of computers	16	
17	Enter 85% (.85) of contract expenses	17	
18	Total qualified research expenses. Add lines 14 through 17.	18	
19	Enter fixed-base percentage, but not more than 16% (see instructions).	19	%
20	Enter average annual gross receipts (see instructions)	20	
21	Base amount. Multiply line 20 by the percentage on line 19 (see instructions)	21	
22	Subtract line 21 from line 18	22	
23	Multiply line 18 by 50% (.50)	23	
24	Enter the smaller of line 22 or 23	24	
25	Add lines 13 and 24.	25	
26	Tentative credit. Multiply line 25 by 20% (.20). If you do not elect the reduced credit under Section 280C(c), enter the result and see the instructions for the schedule that must be attached. Note: If you elect the reduced credit, multiply line 25 by 13.2% (.132) and enter that amount instead. Also write "Sec. 280C" in the margin to the right of the entry space.	26	
27	Flow-through research credit(s) from a partnership, S corporation, estate, or trust	27	
28	Current year credit for increasing research activities. Add lines 26 and 27. Enter here and see Claiming the Credit on page 2 to see if you have to file Form 3800	28	

See Paperwork Reduction Act Notice on page 2.

Cat. No. 13700H

Form **6765** (1992)

Form 6765 (1992)

Page 2

Part IV Tax Liability Limitation for the Research Credit

29	Net regular tax for research credit:		
a	Net regular tax from line 7.	29a	
b	Orphan drug credit from line 10.	29b	
c	Credit for fuel from nonconventional source.	29c	
d	Add lines 29b and 29c.	29d	
e	Net regular tax. Subtract line 29d from 29a.	29e	
30	Net income tax:		
a	Individuals. Add line 29e above and line 22 of Form 6251.		
b	Corporations. Add line 29e above and line 17 of Form 4626.	30	
c	Estates and trusts. Add line 29e above and line 39 of Form 1041, Schedule H.		
31	If line 29e is more than \$25,000, enter 25% (.25) of the excess (see instructions).	31	
32	Subtract line 8 or line 31, whichever is greater, from line 30. If less than zero, enter -0-	32	
33	Corporations. Enter here and on the appropriate line of your return the smaller of line 28 or line 32. This is your General Business Credit for 1992.	33	
34	Individuals, estates, and trusts. Enter here and on the appropriate line of your return the smaller of line 28 or the amount from the formula in the instructions for line 34 (but do not enter more than line 32). This is your General Business Credit for 1992.	34	

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping 8 hr., 37 min.
Learning about the law or the form 1 hr.
Preparing and sending the form to the IRS 1 hr., 11 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. You can write to both the IRS and the Office of Management and Budget at the addresses listed in the instructions of the tax return with which this form is filed.

Claiming the Credit

The research credit shown on line 28 is one of several credits that make up the general business credit. The general business credit includes the investment credit (Form 3468), jobs credit (Form 5884), credit for alcohol used as fuel (Form 6478), research credit

(Form 6765), low-income housing credit (Form 8596), enhanced oil recovery credit (Form 8830), disabled access credit (Form 8826) and renewable electricity production credit (Form 8835).

If you have more than one of these credits for 1992, a carryback or carryforward of any of these credits, or a research credit from a passive activity, file Form 3800, General Business Credit. Use it instead of Part IV to figure the tax liability limitation.

If you have only a 1992 research credit and the credit is not from a passive activity, complete Part IV above. You do not have to file Form 3800 for this year.

U.S. GPO:1992-315-361

1992


 Department of the Treasury
 Internal Revenue Service

Instructions for Form 6765

Credit for Increasing Research Activities (or for claiming the orphan drug credit)

(Section references are to the Internal Revenue Code unless otherwise noted.)

Items To Note

- The credit for increasing research activities and the orphan drug credit expired June 30, 1992. If the credits are further extended, the IRS will use the media to notify you.
- If the credits are not extended, use only amounts paid or incurred by June 30, 1992, in figuring the credits.
- If the research credit is not extended beyond June 30, 1992, the qualified organization's base period amount on line 12 may be adjusted for the 1992 tax year (and the 1991 fiscal tax year ending after June 30, 1992) under the short-tax year rules contained in section 1.41-3(d)(1) of the Regulations. You must also reduce the base amount on line 21. See the instructions for line 21 for details.

General Instructions

Purpose of Form

Use Form 6765 to figure and claim the general business credit for increasing the research activities of a trade or business and to claim the orphan drug credit. Complete Parts II, III, and IV (or Form 3800, if required) to figure the research credit. Complete Parts I and II to figure the orphan drug credit.

Definitions

Research credit. The research credit is generally allowed for qualified research.

Qualified research is limited to scientific experimentation or engineering activities designed to aid in the development of a new or improved product, process, technique, formula, invention, or computer software program held for sale, lease, or license, or used by you in a trade or business. For in-house research expenses (see section 41(b)(2)), this trade or business requirement will be met if your principal purpose for conducting the research is to use the results of the research in the active conduct of a future trade or business. See section 41(b)(4).

The research credit is generally not allowed for the following types of activities:

- Research conducted after the beginning of commercial production;
- Research adapting an existing product or process to a particular customer's need;
- Duplication of an existing product or process;
- Surveys or studies;
- Research relating to certain internal-use computer software;
- Research conducted outside the United States;
- Research in the social sciences, arts, or humanities; or
- Research funded by another person (or governmental entity).

If you incur qualified clinical testing expenses relating to drugs for certain rare diseases, you may elect to claim the orphan drug credit on these expenses instead of taking the research credit.

See section 41 for other definitions and special rules concerning the research credit.

Orphan drug credit.—The orphan drug credit is an elective tax credit available for 50% (.50) of qualified clinical testing expenses of low-profit or unprofitable drugs for rare diseases and conditions, as designated under Section 526 of the Federal Food, Drug, and Cosmetic Act, paid or incurred during the tax year. For additional information, see Regulations section 1.28-1.

The orphan drug credit is similar to the credit under section 41 for qualified research expenditures, except that clinical testing expenses are not limited to 65% (.65) of any contract research expenses, there is no requirement that expenses exceed those for a base period, and the expenditure must be for "qualified clinical testing" as defined in sections 28(b)(1) and (2). Expenses that qualify under section 28 cannot also qualify for the research credit under section 41.

Even though you cannot use the same expenses to claim both the research credit and the orphan drug credit, any expenses used in computing the orphan drug credit must be included in any research credit "base amount" computations in future years.

Who Must File

An individual, estate, trust, organization or corporation claiming a credit for increasing research activities or for orphan drug expenses, or any S corporation, partnership, estate, or trust that allocates the credit(s) to its shareholders, partners, or beneficiaries should complete this form and attach it to its income tax return.

S corporations, partnerships, estates, and trusts that allocate the credit(s) on lines 4 and 28 to any shareholder, partner, or beneficiary must show on the appropriate line of Schedule K-1, or on an attachment to Schedule K-1, the credit allocable for that shareholder, partner, or beneficiary.

Special Rules

See section 41(f) for special rules related to:

1. Controlled groups of corporations and businesses under common control;
2. Allocation of the credit by partnerships, estates, and trusts;
3. Adjustments if a major portion of a business is acquired or disposed of; and
4. Short tax years.

For special rules concerning the allocation and apportionment of research and experimental expenditures between U.S. and foreign source income, see sections 861 through 864.

If you cannot use the research credit because of tax liability limitations, carry it back 3 years, then forward 15 years. Use Form 3800. There are no carryback or carryover provisions for the orphan drug credit. However, your minimum tax carryover is increased if your orphan drug credit is limited by the tentative minimum tax.

Specific Instructions

Part I—Current Year Orphan Drug Credit

Line 2.—You must reduce the deduction for qualified clinical testing expenses otherwise allowable on your income tax return by the amount of the credit shown on line 2. See section 280C(b) for special rules.

Line 3.—Enter the amount of credit that was allocated to you as a shareholder, partner, or beneficiary.

Line 4.—If you have credits from passive activities, see Form 8582-CR, Passive Activity Credit Limitations, or Form 8810, Corporate Passive Activity Loss and Credit Limitations, before completing the remainder of this form.

Estates and trusts.—The orphan drug credit on line 4 is allocated between the estate or trust and the beneficiaries in the same proportion as income was allocated. On the dotted line to the left

of the amount on line 4, the estate or trust should enter its share of the credit. Label it "1041 PORTION" and use this amount in Part II to figure the credit to take on Form 1041. On Schedule K-1, show the credit for each beneficiary.

S corporations and partnerships.—Prorate the orphan drug credit on line 4 among the shareholders or partners. Attach Form 6765 to the return and on Schedule K-1 show the credit for each shareholder or partner.

Part II—Tax Liability Limitation for the Orphan Drug and Research Credits

Line 8.—Enter the tentative minimum tax (TMT) that was figured on the appropriate alternative minimum tax (AMT) form or schedule. Although you may not owe AMT, you must still compute the TMT to figure your credit.

Line 10.—Include the orphan drug credit on the appropriate line of your 1992 tax return. If it is not listed separately on the return, include the credit on the "other credits" or "total credits" line; then write "ORPHAN DRUG CREDIT" and the amount on the dotted line to the left of the entry amount.

Part III—Current Year Credit for Increasing Research Activities

Line 11.—Corporations (other than S corporations), personal holding companies, and service organizations) may be eligible for a "basic research" credit if your 1992 payments in cash to a qualified university or scientific research organization (under a written contract) exceed a base period amount (based on your general university giving and certain other maintenance-of-effort levels for the 3 preceding years). Enter your 1992 payments on line 11. See section 41(e) for details.

Line 12.—Enter the base period amount as defined in section 41(e). The amount on line 12 (but not more than the amount on line 11), although not eligible for the 1992 basic research credit, can be treated as 1992 contract research expenses on line 17 (and subject to the 65% (.65) limitation).

Line 16.—See section 41(b)(2)(A) for rules on leased property if you receive payments from anyone for the rental or lease of substantially identical property.

Line 17.—Include 65% (.65) of any amount paid or incurred for qualified research performed on your behalf.

Prepaid contract research expenses are considered paid in the year the research is actually done. Also include 65% (.65) of that portion of the line 11 basic research payments that does not exceed the line 12 base amount. See section 41(e)(1)(B).

Line 19.—Compute the fixed-based percentage as follows:

Existing firms.—The fixed-based percentage is the ratio that the aggregate qualified research expenses for at least 3 tax years from 1984 to 1988 bears to the aggregate gross receipts for such tax years. Round off the percentage to the nearest 1/100th of 1%.

Start-up companies.—If there are fewer than 3 tax years between 1984 and 1988 in which you had both gross receipts and qualified research expenses, the percentage is 3%. If the percentage computation involves de minimis amounts of gross receipts and qualified expenses in a tax year or short tax years are involved, see sections 41(c)(3) and 41(f)(4).

Note: The maximum percentage that can be entered on line 19 is 16%.

Line 20.—Enter the average annual gross receipts for the 4 tax years preceding the tax year for which the credit is being determined (called the credit year). You may be required to annualize gross receipts for any short tax year. See sections 41(c)(1)(B) and 41(f)(4) for details.

For purposes of lines 19 and 20, reduce gross receipts for any tax year by returns and allowances made during the tax year. In the case of a foreign corporation, include only gross receipts that are effectively connected with the trade or business within the United States.

Line 21.—If your tax year begins before July 1, 1992, and ends after June 30, 1992, the line 21 base amount is reduced. The reduced amount for such year is the amount which bears the same ratio to the base amount for such year as the number of days in the tax year before July 1, 1992, bears to the total number of days in the tax year.

Line 23.—The base amount cannot be less than 50% (.50) of the current year qualified research expenses. This rule applies both to existing and newly organized businesses.

Line 26.—If you do not elect the reduced credit, you must reduce your otherwise allowable deduction for qualified research expenses or basic research expenses by the amount of the

credit on line 26. If the line 26 credit exceeds the amount allowed as a deduction for the tax year, reduce the amount chargeable to the capital account for the year for such expenses by the amount of the excess.

Attach a schedule to your tax return that lists the deduction amounts (or capitalized expenses) that were reduced. Identify the lines of your return (schedule or forms for capitalized items) on which the reductions were made.

Line 27.—Enter the amount of credit that was allocated to you as a shareholder, partner, or beneficiary.

Line 28.—Estates and trusts.—Allocate the research credit on line 28 between the estate or trust and the beneficiaries in the same proportion as income was allocated. On the dotted line to the left of the amount on line 28, the estate or trust should enter its share of the credit. Label it "1041 PORTION" and use this amount in Part IV (or on Form 3800, if required) to figure the credit to take on Form 1041. On Schedule K-1, show the credit for each beneficiary.

S corporations and partnerships.—Prorate the research credit on line 28 among the shareholders or partners. Attach Form 6765 to the return and on Schedule K-1 show the credit for each shareholder or partner.

Part IV—Computation of Allowable Research Credit

Line 31.—Limitations.—See section 38(c)(2) for special rules for married couples filing separate returns, for controlled corporate groups, and for estates and trusts.

Line 34.—Limits.—If you are an individual, estate, or trust, the credit(s) on line 26 or 27 is limited to the amount attributable to your interest in the proprietorship, partnership, S corporation, estate, or trust generating the credit. Figure the credit separately for each business enterprise by using the following formula:

$$\frac{\text{Taxable income attributable to your interest in the unincorporated business, 1065, 1041, or 1120S return (Line 30—Line 31)}}{\text{Taxable income for the year (Form 1040, line 37)}}$$

When using the formula, the result is limited to 100% of line 30 minus line 31.

If in the current tax year you had no taxable income attributable to a particular business interest, you cannot claim any research credit this year for that business.

Form **8827**

Credit For Prior Year Minimum Tax—Corporations

OMB No. 1545-1257

1992

Department of the Treasury
Internal Revenue Service

▶ Attach to the corporation's tax return.

Name _____ Employer identification number _____

Minimum Tax Credit for 1992

1	Alternative minimum tax for 1991. Enter the amount from line 16 of the 1991 Form 4626	1	
2	Carryforward of minimum tax credit from 1991. Enter the amount from line 9 of the 1991 Form 8827	2	
3	Enter any 1991 unallowed credit for fuel produced from a nonconventional source and any 1991 unallowed orphan drug credit (see instructions).	3	
4	Add lines 1, 2, and 3	4	
5	Enter the corporation's 1992 regular income tax liability minus allowable tax credits (see instructions)	5	
6	Enter the amount from line 15 of the 1992 Form 4626	6	
7	Subtract line 6 from line 5. If zero or less, enter -0-	7	
8	Minimum tax credit. Enter the smaller of line 4 or line 7. Also enter this amount on the line provided on the corporation's income tax return (e.g., if you are filing Form 1120 for 1992, enter this amount on line 4f, Schedule J). If the corporation had a post-1986 ownership change, see the specific instructions for line 8 below	8	

Minimum Tax Credit Carryforward to 1993

9	Subtract line 8 from line 4 (see instructions)	9	
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General Instructions

(Section references are to the Internal Revenue Code.)

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is 1 hour.

If you have comments concerning the accuracy of this time estimate or suggestions for making this form more simple, we would be happy to hear from you. You can write to both the IRS and the Office of Management and Budget at the addresses listed in the instructions of the tax return with which this form is filed.

Purpose of Form

Form 8827 is used by corporations to compute the minimum tax credit, if any, for alternative minimum tax (AMT)

incurred in prior tax years and to compute any minimum tax credit carryforward that may be used in future years.

Who Should File

Form 8827 should be completed by corporations that had:

- An AMT liability in 1991;
- A minimum tax credit carryforward from 1991 to 1992; or
- A 1991 unallowed nonconventional source fuel credit or a 1991 unallowed orphan drug credit (see Line 3 below).

Recordkeeping.—Use Form 8827 each year to see if the corporation has a minimum tax credit and to keep a record of any credit carryforward.

Specific Instructions

Line 3

Enter the unused portion of the 1991 credit for fuel produced from a nonconventional source that was not allowed solely because of the limit under section 29(b).

Also include on this line the unused portion of any 1991 orphan drug credit not allowed solely because of the limit under section 28(d)(2)(B).

Line 5

Enter the corporation's regular income tax liability (as defined in section 26(b)) minus any credits allowed under Subchapter A, Part IV, subparts B, D, E, and F of the Internal Revenue Code (e.g., if you are filing Form 1120 for 1992, subtract any credits on lines 4a through 4e, Schedule J, from the amount on line 3, Schedule J).

Line 8

If the corporation had a post-1986 "ownership change" (as defined in section 382(g)), section 383 may limit the amount of prechange minimum tax credits that can be applied against the corporation's tax for any tax year ending after the ownership change. If this limit applies, attach the computation of the allowable minimum tax credit, enter that amount on line 8, and write "Sec. 383" on the dotted line to the left of the line 8 entry space. In addition, see section 384 for the limit on the use of any preacquisition excess credit of one corporation to offset recognized built-in gains of another corporation.

Line 9

Keep a record of this amount because it can be carried forward and used in future years.



Department of the Treasury
Internal Revenue Service
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