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The IRS released more than one revision of this publication during the calendar year. We have included all revisions in this file so that you can have access to them all.

SOI BULLETIN

A QUARTERLY STATISTICS OF INCOME REPORT | Volume 38 Number 1

The *Statistics of Income (SOI) Bulletin* is issued quarterly by the Statistics of Income Division of the Internal Revenue Service. The report provides the earliest published annual financial statistics obtained from the various types of tax and information returns filed, as well as information from periodic or special analytical studies of particular interest to students of the U.S. tax system, tax policymakers, and tax administrators. Selected historical and other data tables, previously published in the spring issue of the *Bulletin* are now only available on SOI's pages of the IRS Web site (<https://www.irs.gov/uac/soi-tax-stats-historical-data-tables>).

Information on the availability of supplemental data on the topics included in this issue or other SOI subjects, may be obtained by sending an email to SOI's Statistical Information Services at sis@irs.gov, or by writing to the Director, Statistics of Income Division OS:RAAS:S, Internal Revenue Service, 1111 Constitution Avenue, NW, K-Room 4112, Washington, D.C. 20224.

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Inside This Issue:

Foreign Recipients of U.S. Income, Calendar Year 2015

2

by Scott Luttrell

U.S.-source income payments to foreign persons, as reported on Form 1042-S, *Foreign Person's U.S.-Source Income Subject to Withholding*, rose to \$824.3 billion for Calendar Year 2015. This represents an increase of 13.2 percent from 2014. U.S.-source income payments subject to withholding tax rose by 24.2 percent from 2014, which fueled an increase in withholding taxes of 13.1 percent. Despite these increases, 85.7 percent of all U.S.-source income paid to foreign persons remained exempt from withholding tax. The residual U.S.-source income subject to tax was withheld at an average rate of 15.6 percent.

Controlled Foreign Corporations, Tax Year 2012

18

by Jason Wenrich

The number of foreign corporations controlled by U.S. multinational corporations increased in 2012 to 88,038. End-of-year assets (\$18.6 trillion), total receipts (\$6.9 trillion), and current earnings and profits (less deficit) before income taxes (\$924 billion) all increased from Tax Year 2010. More than 79 percent of controlled foreign corporations (CFCs) were concentrated in the services; goods production; and distribution and transportation of goods sectors. CFCs were incorporated in 192 different countries of which over 40 percent were incorporated in Europe.



Foreign Recipients of U.S. Income, Calendar Year 2015

by Scott Luttrell

U.S.-source income payments to foreign persons, as reported on Form 1042-S, *Foreign Person's U.S.-Source Income Subject to Withholding*, rose to \$824.3 billion for Calendar Year 2015. This represents an increase of 13.2 percent from 2014. U.S.-source income payments subject to withholding tax rose by 24.2 percent from 2014, which fueled an increase in withholding taxes of 13.1 percent. Despite these increases, 85.7 percent of all U.S.-source income paid to foreign persons remained exempt from withholding tax. The residual U.S.-Source income subject to tax was withheld at an average rate of 15.6 percent.

Entities such as financial institutions, businesses, and academic institutions that report U.S. payments to nonresident aliens are considered withholding agents. The Internal Revenue Code (IRC) requires withholding agents to withhold tax from U.S.-source fixed, determinable, annual, or periodic (FDAP) income paid to foreign persons. This is commonly referred to as Chapter 3 withholding or nonresident alien (NRA) withholding. The withholding agent is required to report aggregate U.S.-source FDAP payments made and any associated tax withheld in a calendar year on Form 1042, *Annual Withholding Tax Return for U.S.-Source Income of Foreign Persons*. Furthermore, payments to foreign recipients are reported to the IRS on Form 1042-S; a copy is provided to the payee. Form 1042-S is used to report many types of income, including, but not limited to, interest, rents, royalties, corporate distributions, pension income, and gambling winnings.

Data Overview for 2015

In 2015, the majority of U.S.-source income paid to foreign persons (69.1 percent) went to only 12 countries (Figure A, Part 1). Foreign persons from the United Kingdom received \$108.6 billion (13.2 percent of the total) in U.S.-source income payments, a decrease of 24.7 percent from 2014. Recipients from the United Kingdom received \$40.7 billion more than any other country. United Kingdom corporations received 24.8 percent of all payments to corporate recipients. Recipients from the Cayman Islands received \$71.2 billion (8.6 percent), an increase of 36.8 percent from 2014. Japanese recipients of U.S.-source income collected \$67.9 billion (8.2 percent) and Canadian recipients collected \$49.3 billion (6.0 percent). Meanwhile, Luxembourg (\$47.1 billion) and China (\$46.7 billion) each accounted for approximately 5.7 percent of U.S.-source income in 2015.

Foreign recipients located in the 12 countries displayed in Figure A, Part 2, combined, paid \$9.7 billion in withholding

taxes, or 65.1 percent of the total, in 2015. Recipients in the Cayman Islands paid \$2.6 billion in withholding taxes (14.0 percent of the total), the most of any country, which was an increase of 12.3 percent from 2014. Recipients from Luxembourg paid nearly \$2.1 billion in withholding taxes (11.2 percent), a jump of 20.5 percent from the previous year.

Treaty vs. nontreaty countries

Tax treaties are one of the primary reasons behind relatively low withholding tax rates on payments of U.S.-source income to foreign persons. Some 66 countries had treaties in force with the United States (Table 1) in 2015. Nearly 75.2 percent of all payments reported on Form 1042-S went to recipients in treaty countries during 2015. Foreign recipients from tax treaty countries received 70.2 percent of total U.S. income paid to foreign persons and paid 61.4 percent of all withholding taxes. Canadian recipients had the largest amount of U.S.-source income subject to tax among all treaty countries and paid 8.7 percent of total withholding taxes. Recipients from the United Kingdom paid \$1.2 billion in withholding taxes in 2015 (6.5 percent). Recipients of U.S. income payments subject to withholding from treaty countries had taxes withheld at an average rate of

Highlights

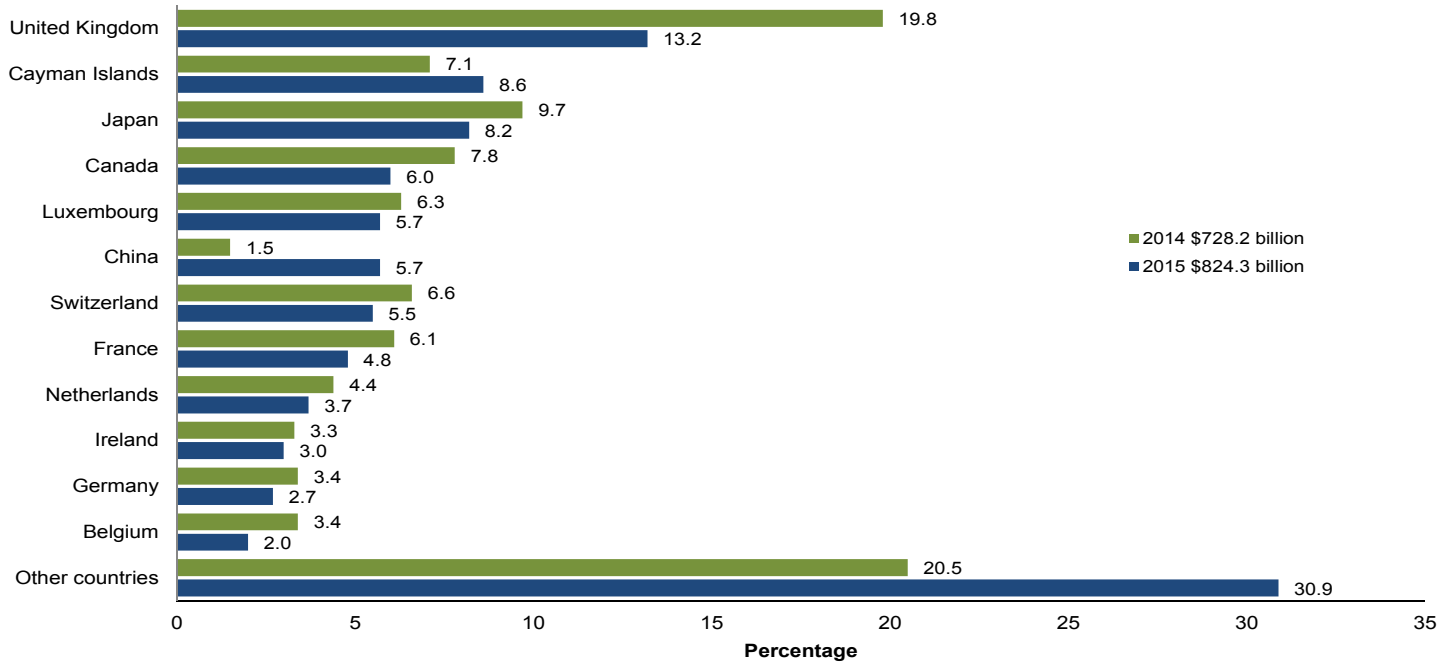
- U.S.-source income paid to foreign persons, as reported on Form 1042-S, was \$824.3 billion for 2015.
- Nearly 86 percent of U.S. income paid to foreign persons was exempt from withholding tax.
- Taxes totaling \$18.4 billion were withheld on U.S. income paid to foreign persons in 2015, for an average effective withholding rate of 15.6 percent.
- Interest payments (49.6 percent) and dividends (24.9 percent) accounted for most of the U.S. income paid to foreign persons.
- Foreign persons in the United Kingdom received the most U.S.-source income (\$108.6 billion; 13.2 percent of the total).
- Foreign persons in the Cayman Islands paid more than \$2.6 billion in withholding taxes (14.0 percent of the total), the most of any country.
- Foreign partners received \$13.5 billion in income from U.S. partnerships from which \$4.6 billion in U.S. taxes were withheld.
- Sales of U.S. real property interests by foreign persons totaled \$10.5 billion; U.S. taxes withheld on that income totaled \$922 million.



Figure A1

Percentage of Total U.S.-Source Income Paid to Foreign Persons Under Chapter 3, as Reported on Form 1042-S, by Country of Foreign Recipient, Calendar Years 2014 and 2015

Country of foreign recipient



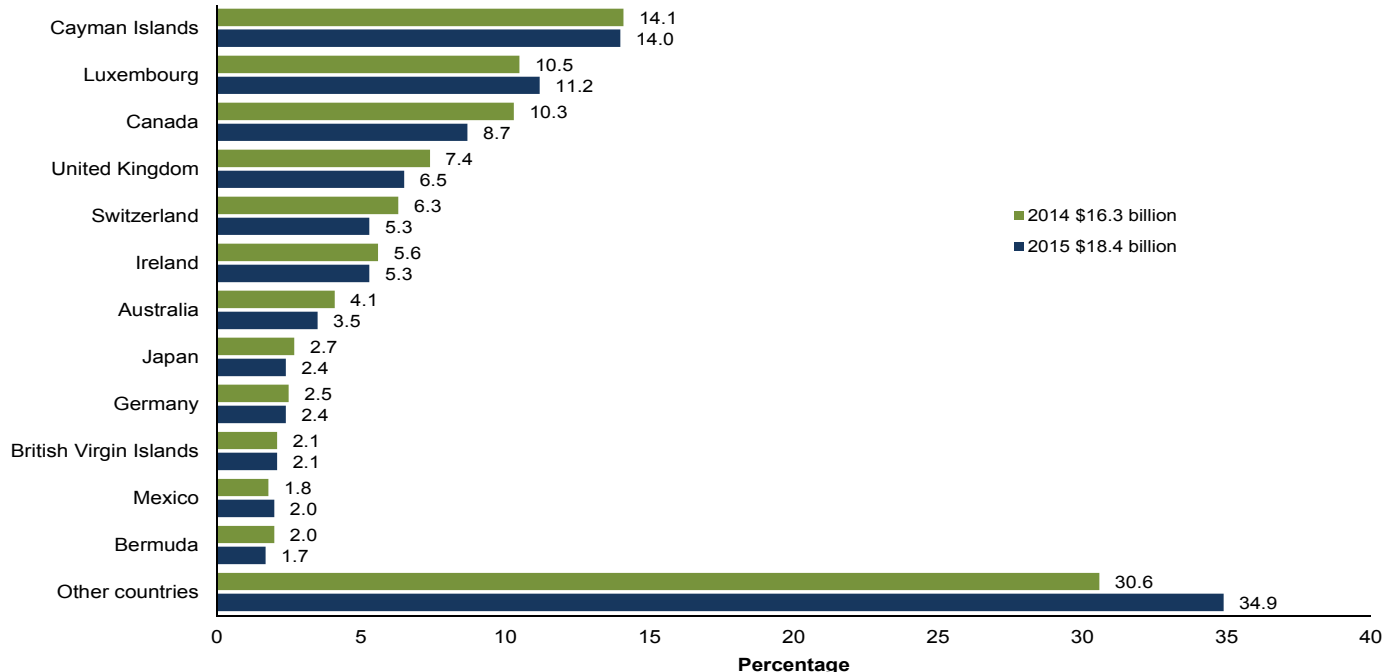
NOTE: Form 1042-S, *Foreign Person's U.S.-Source Income Subject to Withholding*.

SOURCE: IRS, Statistics of Income Division, Individuals, Withholding on Foreign Recipients of U.S. Income, October 2017.

Figure A2

Percentage of Total Taxes Withheld on U.S.-Source Income Paid to Foreign Persons Under Chapter 3, as Reported on Form 1042-S, by Country of Foreign Recipient, Calendar Years 2014 and 2015

Country of foreign recipient



NOTE: Form 1042-S, *Foreign Person's U.S.-Source Income Subject to Withholding*.

SOURCE: IRS, Statistics of Income Division, Individuals, Withholding on Foreign Recipients of U.S. Income, October 2017.

15.1 percent, compared to 15.6 percent on payments made to residents of nontreaty countries.

Residents in 14 nontreaty jurisdictions received more than \$1 billion of U.S.-source income in 2015: the Bahamas, Bermuda, Brazil, the British Virgin Islands, the Cayman Islands, Chile, Guernsey, Hong Kong, Jersey, Kuwait, Saudi Arabia, Singapore, Taiwan, and the United Arab Emirates. Nontreaty countries combined to account for \$245.8 billion of total U.S.-source income and \$7.1 billion of total tax withheld.

Types of U.S.-source income

The primary types of U.S.-source income paid to foreign recipients as reported on Form 1042-S in 2015 remained consistent with previous years (Figure B). Interest payments totaled \$408.7 billion, which was an increase of 36.4 percent from 2014, and accounted for 49.6 percent of total gross income, an increase of 8.4 percentage points from the previous year. Dividends paid to foreign persons rose by 2.6 percent to \$205.2 billion, and they accounted for 24.9 percent of total gross income. Payments of rents and royalties to foreign persons totaled \$50.7 billion or 6.2 percent of total gross income. Notional principal contract income fell by 29.7 percent to \$47.2 billion in 2015, and it was the only major income category that declined from 2014. (See the Explanation of Selected Terms section of this article for a definition of notional principal contract.)

Income subject to withholding

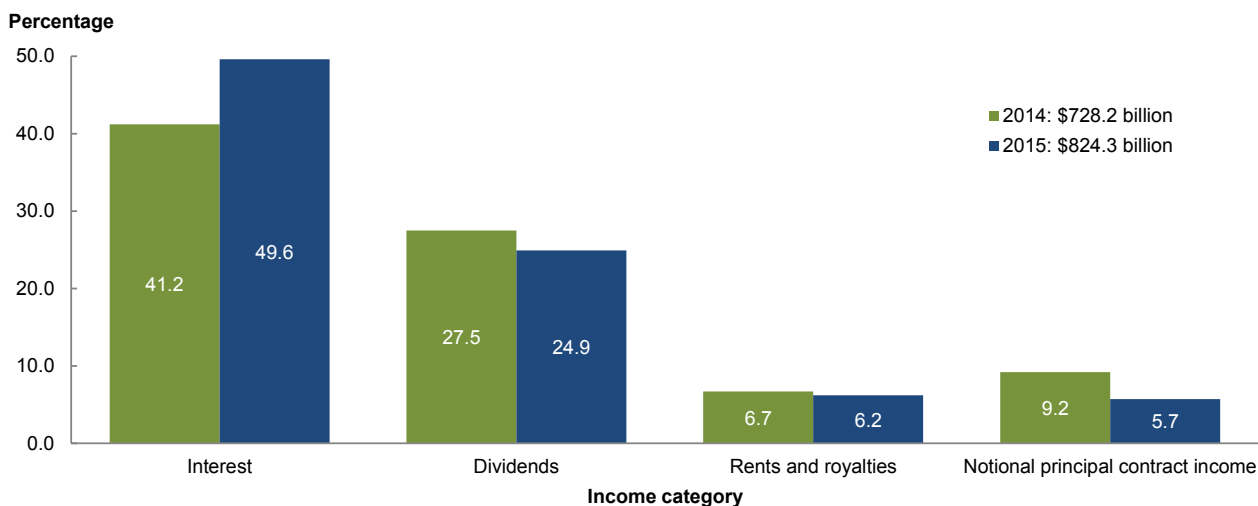
U.S.-source payments to foreign persons are commonly exempt from withholding tax. The primary reasons for withholding

exemptions are either due to a tax treaty between the United States and the recipient's country of residence, or the fact that the specific type of income (portfolio or bank deposit interest, for instance) is exempt under an Internal Revenue Code section. Income effectively connected with a U.S. trade or business is also exempt from withholding. However, over \$118.2 billion (14.3 percent) of total U.S.-source income payments to foreign persons was subject to tax in 2015.

Figure C presents the percentages of U.S.-source income paid to foreign persons and income subject to withholding by income category in 2015. This figure illustrates the differences that exist with respect to the taxation of certain types of income reported on Form 1042-S. For example, dividends comprised a majority (78.3 percent) of income subject to tax, despite accounting for only 24.9 percent of total income. Dividend income subject to withholding was taxed at an average effective rate of 15.9 percent. While dividends are taxed at comparatively high rates, interest is much more likely to be exempt from withholding. For 2015, interest payments constituted the largest share of total income (49.6 percent) but made up only 6.3 percent of all U.S.-source income subject to withholding. Furthermore, a mere 1.8 percent of interest income was subject to withholding; it was taxed at an average rate of 11.1 percent. As mentioned previously, notional principal contract income accounts for 5.7 percent of U.S.-source income paid to foreign persons; however, it is not generally subject to withholding tax. Rents and royalty payments are more likely to be taxed, and they accounted for 6.2 percent of all income and 5.1 percent of income subject to withholding.

Figure B

Percentage of Total U.S.-Source Income Paid to Foreign Persons Under Chapter 3, as Reported on Form 1042-S, by Selected Income Category, Calendar Years 2014 and 2015

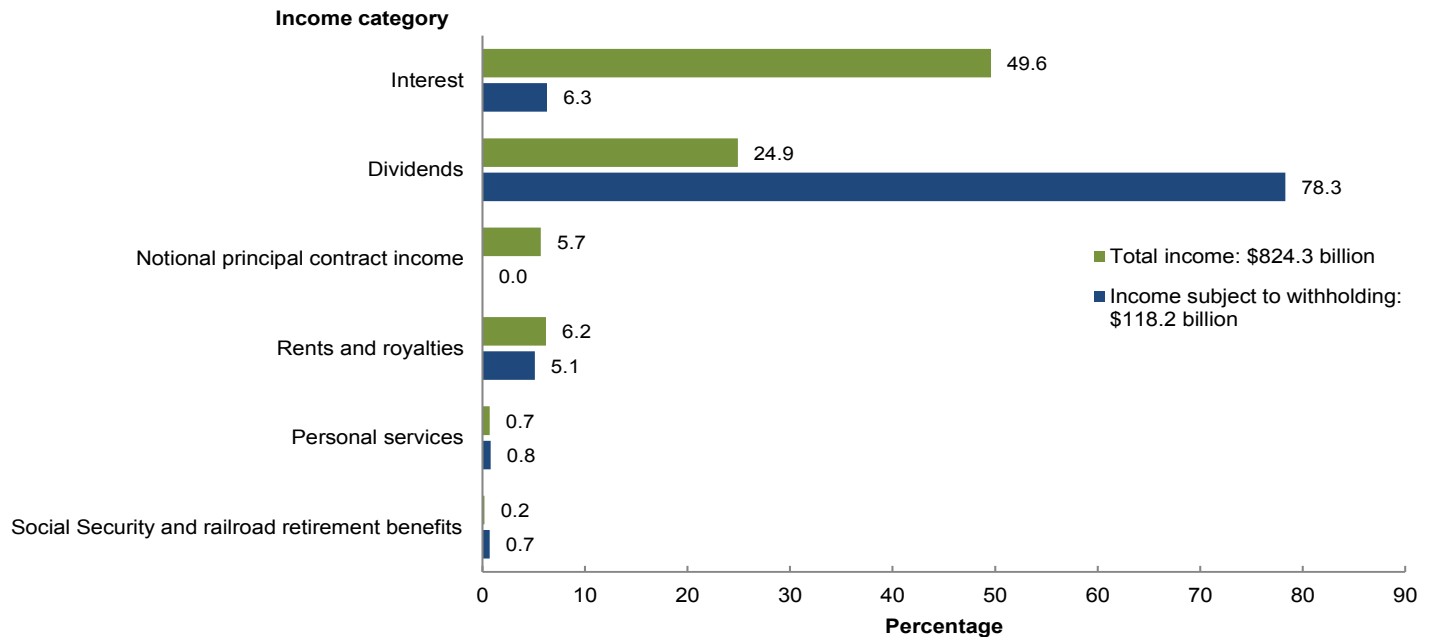


NOTE: Form 1042-S, Foreign Person's U.S.-Source Income Subject to Withholding.

SOURCE: IRS, Statistics of Income Division, Individuals, Withholding on Foreign Recipients of U.S. Income, October 2017.

Figure C

Percentage of Total U.S.-Source Income Paid to Foreign Persons and Income Subject to Withholding Under Chapter 3, as Reported on Form 1042-S, by Selected Income Category, Calendar Year 2015



NOTE: Form 1042-S, *Foreign Person's U.S.-Source Income Subject to Withholding*.

SOURCE: IRS, Statistics of Income Division, Individuals, Withholding on Foreign Recipients of U.S. Income, October 2017.

Additional Foreign Income and Withholding Data

While the majority of U.S. income paid to foreign recipients is subject to withholding under Chapter 3 of the IRC and is reported on Form 1042-S, information from other tax forms is useful for providing a comprehensive look at withholding tax of foreign persons' U.S. income.

Foreign partner's partnership income

U.S. partnership income that is allocable to foreign partners is reported on Form 8805, *Foreign Partner's Information Statement of Section 1446 Withholding Tax*. Partnerships are required to withhold income tax on effectively connected taxable income deemed allocable to foreign partners. A U.S. or foreign partnership files a Form 8805 to show the amount of taxable income and total tax allocable to the foreign partner for the partnership's tax year. The statutory withholding rate for partnership income allocable to foreign partners is 35 percent. Reduced withholding rates may apply if the foreign partner is an individual and the specific type of income is among those subject to preferential rates. These types of income include capital gains, depreciation recapture, and collectibles gains.

Sales of U.S. real property

Another tax form that provides information about withholding on foreign persons' U.S. income is Form 8288-A, *Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests*. The Foreign Investment in Real Property Tax Act of 1980 (FIRPTA) was introduced to ensure that the

United State collected a portion of the capital gains realized by foreigners from the sales of U.S. real property interests. Form 8288-A is used to report the sales price of U.S. real property sold by the foreign person and the tax withheld on that sales price. Typically, the sales price is subject to 10-percent withholding, although corporations may be taxed at rates up to 35 percent in certain circumstances.¹ In some instances, the seller may elect to pay a 35-percent tax on the capital gain rather than a 10-percent withholding tax on the sales price. When a foreign person sells real property interests in the United States, the buyer of the property is responsible for collecting and remitting to the IRS the appropriate amount of withholding and filing the necessary tax forms.

Branch profits tax

A withholding tax equivalent on a foreign person's U.S. income in the form of a branch profits tax is reported on Form 1120-F, *U.S. Income Tax Return of a Foreign Corporation*. The branch profits tax was created to achieve neutrality for foreign investments in the United States through a U.S. branch or a U.S. subsidiary of a foreign parent corporation. While dividends paid by a U.S. subsidiary to its foreign parent corporation are subject to a 30-percent (or lower) withholding tax, profits of a U.S. branch of a foreign parent would not be subject to an equivalent tax absent the branch profits tax. The amount of income remitted from the U.S. branch to its foreign owner, known as the dividend equivalent amount, is reported on Form 1120-F, along with the associated tax on that amount (i.e., branch profits tax).

¹ The withholding rate has been increased from 10 percent to 15 percent for sales occurring on or after February 16, 2016.

Effective withholding tax rates

The combined withholding tax on U.S.-source income paid to foreign persons for 2015 was nearly \$24.1 billion, with an average effective tax rate of 16.8 percent (Figure D). The effective withholding rates vary widely among the various tax forms. U.S. partnership income allocable to foreign partners is subject to significantly higher rates of withholding than other types of U.S. income because it is not typically reduced by tax

treaties and is far more likely to be taxed near the statutory 35-percent tax rate. For 2015, the average effective withholding rate on U.S. partnership distributions to foreign partners was 34.1 percent. The 8.8-percent withholding rate on income from the sale of U.S. real property interests is comparatively low because the statutory rate for this type of income is just 10 percent. The average effective rate on foreign branch profits (13.2 percent) reported on Form 1120-F was less than the 30-percent

Figure D

U.S.-Source Income Payments to Foreign Persons: Number of Forms, Income, Tax Withheld, and Effective Tax Rate, by Form Type and Selected Country of Foreign Recipient, Calendar Year 2015

[Money amounts are in thousands of dollars]

| Form type and selected country | All payments | | Payments subject to withholding tax | | | |
|--|-----------------------|--------------------|-------------------------------------|--------------------|-------------------|------------------------|
| | Total number of forms | Income (less loss) | Number of forms [1] | Income [2] | U.S. tax withheld | Effective tax rate [3] |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| All forms | 5,482,134 | 849,599,048 | 3,370,663 | 143,542,245 | 24,086,993 | 16.8 |
| Form 1042-S: All countries [4] | 5,291,778 | 824,296,819 | 3,192,701 | 118,203,479 | 18,383,639 | 15.6 |
| United Kingdom | 543,026 | 108,585,916 | 370,379 | 9,103,932 | 1,189,289 | 13.1 |
| Cayman Islands | 117,307 | 71,242,438 | 35,805 | 13,615,537 | 2,566,652 | 18.9 |
| Japan | 192,669 | 67,894,317 | 64,166 | 4,433,159 | 441,732 | 10.0 |
| Canada | 599,565 | 49,276,346 | 376,623 | 14,515,532 | 1,593,078 | 11.0 |
| Luxembourg | 20,317 | 47,114,896 | 7,449 | 7,546,268 | 2,066,322 | 27.4 |
| China | 225,561 | 46,739,096 | 77,888 | 558,016 | 80,574 | 14.4 |
| Switzerland | 72,147 | 45,050,005 | 38,291 | 7,322,275 | 975,902 | 13.3 |
| France | 87,210 | 39,354,665 | 55,172 | 1,542,718 | 331,810 | 21.5 |
| Netherlands | 69,560 | 30,270,556 | 39,407 | 1,584,243 | 233,313 | 14.7 |
| Ireland | 271,079 | 25,098,685 | 244,133 | 4,550,928 | 968,247 | 21.3 |
| Germany | 359,288 | 21,876,693 | 167,143 | 3,104,787 | 438,859 | 14.1 |
| Belgium | 31,836 | 16,734,389 | 23,004 | 1,585,976 | 315,426 | 19.9 |
| Taiwan | 113,326 | 15,510,854 | 72,046 | 692,454 | 193,968 | 28.0 |
| Australia | 303,261 | 11,975,657 | 268,410 | 4,613,719 | 647,663 | 14.0 |
| Singapore | 98,051 | 9,546,063 | 79,435 | 568,987 | 159,848 | 28.1 |
| Norway | 22,474 | 9,473,014 | 18,082 | 406,481 | 66,023 | 16.2 |
| Bermuda | 19,158 | 7,761,419 | 7,935 | 1,160,514 | 312,466 | 26.9 |
| South Korea | 44,659 | 6,357,447 | 28,336 | 1,063,013 | 160,987 | 15.1 |
| Mexico | 254,458 | 6,076,085 | 142,117 | 2,197,402 | 359,363 | 16.4 |
| Form 8805: All countries [5] | 161,329 | 12,087,215 | 149,812 | 13,499,640 | 4,605,974 | 34.1 |
| Germany | 68,592 | 1,294,500 | 67,477 | 1,363,765 | 468,291 | 34.3 |
| United Kingdom | 8,653 | 1,113,547 | 6,750 | 1,281,633 | 456,859 | 35.6 |
| Canada | 12,792 | 890,608 | 11,458 | 1,089,140 | 346,492 | 31.8 |
| Sweden | 182 | 730,542 | 135 | 738,629 | 278,017 | 37.6 |
| Netherlands | 1,393 | 502,769 | 1,099 | 556,550 | 141,660 | 25.5 |
| Cayman Islands | 1,399 | 237,371 | 954 | 375,918 | 130,091 | 34.6 |
| Norway | 132 | 216,369 | 118 | 218,307 | 76,309 | 35.0 |
| Form 8288-A: All countries | 26,137 | 10,515,458 | 26,137 | 10,515,458 | 922,292 | 8.8 |
| Canada | 8,781 | 2,886,598 | 8,781 | 2,886,598 | 254,327 | 8.8 |
| Germany | 2,823 | 910,250 | 2,823 | 910,250 | 64,479 | 7.1 |
| United Kingdom | 2,160 | 676,825 | 2,160 | 676,825 | 59,411 | 8.8 |
| Japan | 1,241 | 393,611 | 1,241 | 393,611 | 38,858 | 9.9 |
| Italy | 285 | 313,327 | 285 | 313,327 | 29,639 | 9.5 |
| Form 1120-F: Reporting branch profits tax | 2,890 | 2,699,556 | 2,013 | 1,323,668 | 175,088 | 13.2 |

[1] Number of forms in this column includes returns with income subject to taxation for Form 1042-S; positive income (excluding losses) for Form 8805; sales revenue for Form 8288-A; and branch profits tax for Form 1120-F.

[2] Amounts in this column represent income subject to taxation for Form 1042-S; positive income (excluding losses) for Form 8805; sales revenue for Form 8288-A; and dividend equivalent amount subject to taxation for Form 1120-F.

[3] U.S. tax withheld (column 5) divided by income (column 4).

[4] Amounts shown are subject to withholding under Chapter 3; Chapter 4 amounts are shown separately in Table 3.

[5] Income (less loss) for all payments (column 2) is less than income on payments subject to tax (column 4) because column 2 includes forms with losses.

NOTE: The titles of the forms are: Form 1042-S, *Foreign Person's U.S.-Source Income Subject to Withholding*; Form 8805, *Foreign Partner's Information Statement of Section 1446 Withholding Tax*; Form 8288-A, *Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests*; and Form 1120-F, *U.S. Income Tax Return of a Foreign Corporation*.

SOURCE: IRS, Statistics of Income Division, Foreign Recipients of U.S. Income, August 2018.

statutory rate because recipients frequently qualify for reduced rates through tax treaties.

Real property sales

The eight States with the most U.S. real property interest sales in 2015 made up 75.4 percent of all transactions, 68.9 percent of the total sales revenue, and 69.4 percent of taxes withheld (Figure E). The largest number of real property sales occurred in Florida. In fact, Florida had more than the other top seven States combined in 2015. New York had the highest sales revenue (nearly \$1.2 million) per transaction. Many real property sales could not be assigned to a specific State for reasons including: the real property transaction involved the transfer of stock in a portfolio of real estate holdings not specific to a geographic area; or the transaction involved the sale of an ownership interest in an entity that controlled real estate in multiple locations in the United States.

Withholding Under Chapter 4

The Foreign Account Tax Compliance Act (FATCA) became U.S. Federal law in 2010 as part of the Hiring Incentives to Restore Employment (HIRE) Act. Under FATCA, foreign financial institutions and certain other nonfinancial foreign entities are required to report on the foreign assets held by their U.S. account holders or be subject to withholding on withholdable payments. FATCA requires U.S. withholding agents to withhold tax on certain payments to foreign financial institutions (FFIs) that do not agree to report certain information to the IRS regarding their U.S. account, and on certain payments to certain nonfinancial foreign entities (NFFE) that do not provide information on their substantial U.S. owners to withholding agents.

Figure E

U.S. Real Property Interests Sold by Foreign Persons: Number of Forms 8288-A Filed, Total Sales Revenue, and Tax Withheld, by State Location of the Property, Calendar Year 2015

[Money amounts are in thousands of dollars]

| State location of real property | Total number of forms | Total sales revenue | U.S. tax withheld |
|---------------------------------|-----------------------|---------------------|-------------------|
| | (1) | (2) | (3) |
| Total | 26,137 | 10,515,458 | 922,292 |
| Florida | 11,368 | 2,832,671 | 232,649 |
| California | 2,565 | 1,705,839 | 159,544 |
| Hawaii | 1,492 | 467,320 | 44,829 |
| Arizona | 1,398 | 285,790 | 25,840 |
| New York | 1,066 | 1,261,273 | 110,572 |
| Texas | 899 | 212,041 | 20,761 |
| Washington | 647 | 185,078 | 17,939 |
| Massachusetts | 253 | 290,688 | 27,588 |
| All others and nonallocable | 6,449 | 3,274,758 | 282,570 |

NOTE: Form 8288-A, *Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests*, is filed by the buyer of U.S. real property sold by foreign persons. The buyer must withhold tax in accordance with Internal Revenue Code section 1445.
SOURCE: IRS, Statistics of Income Division, Foreign Recipients of U.S. Income, August 2018. These data were not previously available on the IRS Tax Statistics Web site.

Payments subject to withholding under FATCA are now subject to the laws of Chapter 4 of the IRC, which were implemented beginning July 1, 2014. As a result, the Tax Year 2015 data presented in Table 3 represent the first full year of data under the new provisions.²

Some 20.4 percent of the U.S.-source income reported under Chapter 4 was subject to withholding (Table 3), and the average withholding rate for these payments was 12.7 percent. Interest was the largest category of Chapter 4 income (\$1.3 billion), and most of that (76.1 percent) was exempt from withholding. Dividends accounted for 48.0 percent of Chapter 4 income subject to withholding while interest payments accounted for 41.3 percent. Tax withheld on dividends (45.8 percent) and interest (36.0 percent) comprised a majority of the tax withheld on Chapter 4 payments.

Data Sources and Limitations

The statistics in this data release were tabulated by calendar year using information from the following four forms and are subject to nonsampling error :

Form 1042-S

Payers (or their authorized withholding agents) of most U.S.-source income to foreign persons must withhold tax in accordance with Internal Revenue Code section 1441. Form 1042-S, *Foreign Person's U.S.-Source Income Subject to Withholding*, is filed by the payer to report this income and the U.S. tax withheld. Often a financial institution acts as the payer's withholding agent. The statistics in this data release were tabulated by calendar year, using all Forms 1042-S filed with the Internal Revenue Service during 2015. The data reflect the income that was paid and U.S. tax that was withheld for 2015.

Form 8805

Domestic partnerships (or their authorized withholding agents) must withhold tax in accordance with Internal Revenue Code section 1446 on distributions made to foreign partners. Form 8805, *Foreign Partner's Information Statement of Section 1446 Withholding Tax*, is filed by the payer to report income paid by U.S. partnerships to their foreign partners and the U.S. tax withheld. The statistics in this data release were tabulated by calendar year, using all Forms 8805 filed with the Internal Revenue Service during 2015. The data reflect the income that was paid and U.S. tax that was withheld for 2015.

Form 8288-A

Purchasers of U.S. real property held by foreign persons must withhold tax in accordance with Internal Revenue Code section 1445. Form 8288-A, *Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests*, is filed by the buyer of U.S. real property sold by foreign persons. The statistics in this data release were tabulated by calendar year using all Forms 8288-A filed with the Internal Revenue Service with a date of transfer occurring during 2015.

² SOI also published 2014 data for Chapter 4, but because the new laws went into effect in mid-2014, the 2014 data only cover that last 6 months of that year. See Table 3 for Tax Year 2014 at <https://www.irs.gov/statistics/soi-tax-stats-form-1042s-table-3>.

Form 1120-F

In accordance with section 884(a), the Internal Revenue Code imposes a 30-percent branch-profits tax on after-tax earnings of a foreign corporation's U.S. trade or business 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. Form 1120-F, *U.S. Income Tax Return of a Foreign Corporation*, is filed by the foreign corporation. The statistics in this data release were tabulated based upon all Forms 1120-F included in the Tax Year 2015 SOI Corporation sample.

Nonsampling error

Because the populations of Forms 1042-S, Forms 8805, and Forms 8288-A were used for the statistics, the data are not subject to sampling error. However, the data are subject to nonsampling error, including data entry and taxpayer reporting errors. Because the data were tested and adjusted to ensure that certain basic mathematical relationships held, including the calculation of the correct tax withheld, the possibility of error cannot be completely eliminated.

Explanation of Selected Terms

Foreign persons—For purposes of this data release, foreign persons include: (a) individuals whose residence is not within the United States and who are not U.S. citizens (i.e., nonresident aliens); and (b) corporations and other organizations (including partnerships, private foundations, estates, and trusts) created or organized outside the United States. Individuals residing, and organizations created or organized, in Puerto Rico and U.S. possessions are also considered foreign persons.

Notional principal contract income—Notional principal contracts involve two parties who agree contractually to pay each

other amounts at specified times based on the underlying notional amount. The underlying amount is notional because neither party to the notional principal contract is required to actually hold the property comprising the underlying amount. It is an amount specified in the contract, and, based on that amount, certain calculations are made. Generally, when amounts under the contract are due at the same time, they are netted and only one payment is made. Notional principal contract income is not subject to withholding but must be reported on Form 1042-S, if the income was effectively connected with the conduct of a trade or business in the United States. Notional principal contracts are used by financial institutions to reduce the risk of changes in interest rates, commodity prices, and currency exchange rates. Interest rate swaps, currency swaps, and equity swaps are examples of notional principal contracts.

Withholding rate pool—A withholding rate pool is a payment of a single type of income, determined in accordance with the categories of income reported on Form 1042-S that is subject to a single rate of withholding.

U.S. branch treated as U.S. person—The following types of U.S. branches (of foreign entities) may reach an agreement with a withholding agent to treat a branch as a U.S. person: (a) a U.S. branch of a foreign bank subject to regulatory supervision by the Federal Reserve Board; or (b) a U.S. branch of a foreign insurance company required to file an annual statement on a form approved by the National Association of Insurance Commissioners with the Insurance Department of a State, Territory, or the District of Columbia.

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Table 1. Foreign Recipients of U.S. Income Under Chapter 3 Withholding Filing Forms 1042-S: Number, Total U.S.-Source Income, and U.S. Tax Withheld, by Tax Treaty Countries and Total Nontreaty Countries, Calendar Year 2015

(Money amounts are in thousands of dollars)

| Treaty status and country | Number of Forms 1042-S | U.S.-source income | | | U.S. tax withheld |
|------------------------------------|------------------------|--------------------|-------------------------|------------------------|-------------------|
| | | Total | Exempt from withholding | Subject to withholding | |
| | (1) | (2) | (3) | (4) | (5) |
| Total | 5,291,778 | 824,296,819 | 706,093,337 | 118,203,483 | 18,383,639 |
| Tax treaty countries, total | 3,979,785 | 578,459,158 | 503,812,559 | 74,646,609 | 11,293,358 |
| Armenia | 656 | 3,732 | 2,848 | 884 | 175 |
| Australia [1] | 303,717 | 11,986,877 | 7,368,060 | 4,618,817 | 648,094 |
| Austria | 24,233 | 1,176,957 | 808,930 | 368,028 | 71,672 |
| Azerbaijan | 399 | 2,902 | 2,145 | 758 | 146 |
| Bangladesh | 4,548 | 34,176 | 31,342 | 2,834 | 410 |
| Barbados | 3,189 | 5,735,080 | 5,696,536 | 38,545 | 8,198 |
| Belarus | 1,736 | 9,593 | 6,883 | 2,710 | 707 |
| Belgium | 31,836 | 16,734,389 | 15,148,413 | 1,585,976 | 315,426 |
| Bulgaria | 4,122 | 22,557 | 12,251 | 10,307 | 1,222 |
| Canada | 599,565 | 49,276,346 | 34,760,814 | 14,515,532 | 1,593,078 |
| China | 225,561 | 46,739,096 | 46,181,081 | 558,016 | 80,574 |
| Cyprus | 2,639 | 106,510 | 84,918 | 21,591 | 4,585 |
| Czech Republic | 10,943 | 283,862 | 238,110 | 45,752 | 7,528 |
| Denmark | 21,346 | 5,443,418 | 4,273,956 | 1,169,462 | 147,798 |
| Egypt | 7,347 | 79,840 | 50,385 | 29,455 | 4,280 |
| Estonia | 3,293 | 28,680 | 17,978 | 10,701 | 2,287 |
| Finland | 11,307 | 1,925,867 | 1,746,854 | 179,014 | 29,892 |
| France [2] | 87,418 | 39,356,136 | 37,812,848 | 1,543,288 | 331,957 |
| Georgia | 762 | 10,135 | 7,949 | 2,186 | 502 |
| Germany | 359,288 | 21,876,693 | 18,771,907 | 3,104,787 | 438,859 |
| Greece | 21,188 | 129,580 | 74,004 | 55,577 | 14,268 |
| Hungary | 6,826 | 1,957,454 | 1,750,604 | 206,850 | 13,613 |
| Iceland | 2,557 | 47,896 | 37,491 | 10,406 | 2,049 |
| India | 111,218 | 4,316,028 | 3,931,510 | 384,517 | 66,741 |
| Indonesia | 11,248 | 536,104 | 520,745 | 15,360 | 2,922 |
| Ireland | 271,079 | 25,098,685 | 20,547,757 | 4,550,928 | 968,247 |
| Israel | 54,993 | 2,191,165 | 1,172,396 | 1,018,769 | 206,441 |
| Italy | 77,460 | 2,600,944 | 1,709,397 | 891,547 | 110,634 |
| Jamaica | 5,542 | 260,456 | 244,754 | 15,701 | 3,279 |
| Japan | 192,669 | 67,894,317 | 63,461,158 | 4,433,159 | 441,732 |
| Kazakhstan | 1,864 | 60,594 | 58,185 | 2,409 | 478 |
| Korea, Republic of (South) | 44,659 | 6,357,447 | 5,294,434 | 1,063,013 | 160,987 |
| Kyrgyzstan | 311 | 977 | 508 | 469 | 73 |
| Latvia | 2,134 | 55,293 | 50,197 | 5,096 | 1,307 |
| Lithuania | 2,225 | 126,777 | 122,987 | 3,791 | 723 |
| Luxembourg | 20,317 | 47,114,896 | 39,568,628 | 7,546,268 | 2,066,322 |
| Malta | 3,469 | 247,223 | 129,431 | 117,792 | 28,029 |
| Mexico | 254,458 | 6,076,085 | 3,878,682 | 2,197,402 | 359,363 |
| Moldova | 676 | 5,950 | 4,881 | 1,070 | 249 |
| Morocco | 1,515 | 62,592 | 60,069 | 2,523 | 473 |
| Netherlands | 69,560 | 30,270,556 | 28,686,313 | 1,584,243 | 233,313 |
| New Zealand | 43,984 | 533,967 | 347,822 | 186,146 | 35,740 |
| Norway | 22,474 | 9,473,014 | 9,066,533 | 406,481 | 66,023 |
| Pakistan | 6,283 | 26,515 | 16,817 | 9,698 | 1,812 |
| Philippines | 28,117 | 1,117,099 | 939,278 | 177,821 | 49,500 |
| Poland | 36,983 | 516,244 | 352,538 | 163,707 | 28,175 |
| Portugal | 12,104 | 1,470,072 | 1,401,500 | 68,572 | 10,536 |
| Romania | 7,061 | 64,609 | 55,312 | 9,297 | 2,023 |
| Russia | 28,670 | 1,608,112 | 1,553,643 | 54,470 | 11,500 |

Footnotes at end of table.

Table 1. Foreign Recipients of U.S. Income Under Chapter 3 Withholding Filing Forms 1042-S: Number, Total U.S.-Source Income, and U.S. Tax Withheld, by Tax Treaty Countries and Total Nontreaty Countries, Calendar Year 2015—Continued

[Money amounts are in thousands of dollars]

| Treaty status and country | Number of Forms 1042-S | U.S.-source income | | | U.S. tax withheld |
|---------------------------------------|------------------------|--------------------|-------------------------|------------------------|-------------------|
| | | Total | Exempt from withholding | Subject to withholding | |
| | (1) | (2) | (3) | (4) | (5) |
| Slovak Republic | 3,623 | 52,244 | 40,379 | 11,865 | 2,525 |
| Slovenia | 5,510 | 32,848 | 11,998 | 20,851 | 4,991 |
| South Africa | 26,523 | 480,948 | 251,554 | 229,393 | 39,747 |
| Spain | 82,356 | 3,626,855 | 2,943,060 | 683,795 | 84,596 |
| Sri Lanka | 1,355 | 19,006 | 14,238 | 4,768 | 793 |
| Sweden | 28,749 | 5,741,113 | 4,226,981 | 1,514,133 | 254,955 |
| Switzerland | 72,147 | 45,050,005 | 37,727,731 | 7,322,275 | 975,902 |
| Tajikistan | 229 | 549 | 197 | 351 | 53 |
| Thailand | 21,396 | 416,185 | 374,556 | 41,629 | 7,812 |
| Trinidad and Tobago | 6,793 | 250,165 | 225,704 | 24,461 | 7,126 |
| Tunisia | 1,122 | 12,751 | 11,123 | 1,627 | 305 |
| Turkey | 11,369 | 265,742 | 228,852 | 36,890 | 6,664 |
| Turkmenistan | 127 | 562 | 285 | 277 | 38 |
| Ukraine | 9,971 | 29,607 | 18,835 | 10,773 | 2,078 |
| United Kingdom | 543,026 | 108,585,916 | 99,481,983 | 9,103,932 | 1,189,289 |
| Uzbekistan | 462 | 1,798 | 483 | 1,315 | 287 |
| Venezuela | 119,478 | 2,839,367 | 192,818 | 2,646,549 | 142,255 |
| Nontreaty countries, total [3] | 1,311,993 | 245,837,661 | 202,280,778 | 43,556,874 | 7,090,281 |

[1] Includes Ashmore and Cartier Islands, Christmas Island, Cocos (Keeling) Islands, Coral Sea Islands Territory, and Norfolk Island. These countries are included with Australia in this table because they are included under the tax treaty agreement with Australia. Please note that these countries are not included with Australia in Table 2.

[2] Includes Guadeloupe, French Guiana, Martinique, and Reunion. These countries are included with France in this table because they are included under the tax treaty agreement with France. Please note that these countries are not included with France in Table 2.

[3] Includes Puerto Rico and U.S. possessions. The U.S. and Bermuda have had a tax treaty in effect since 1986, however, this treaty provides no reduction of withholding rates.

NOTES: Detail may not add to totals because of rounding. Form 1042-S is entitled *Foreign Person's U.S.-Source Income Subject to Withholding*.

SOURCE: IRS, Statistics of Income Division, Foreign Recipients of U.S. Income, October 2017.

Table 2. Foreign Recipients of U. S. Income Under Chapter 3 Withholding Filing Forms 1042-S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Types of Income, Selected Recipient Types, and Selected Countries of Recipients, Calendar Year 2015

[Money amounts are in thousands of dollars]

| Selected country and selected recipient type | Number of Forms 1042-S | U.S. tax withheld | Total U.S.-source income | Principal types of U.S.-source income | | | | | |
|---|------------------------|-------------------|--------------------------|---------------------------------------|--------------------|---------------------|--|--------------------------|------------------------------------|
| | | | | Interest | Dividends | Rents and royalties | Social Security and railroad retirement payments | Personal services income | Notional principal contract income |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| Total | 5,291,778 | 18,383,639 | 824,296,819 | 408,661,752 | 205,167,036 | 50,716,067 | 1,928,987 | 5,979,793 | 47,233,239 |
| RECIPIENT TYPES | | | | | | | | | |
| Individuals | 3,870,025 | 1,221,250 | 13,357,905 | 1,898,087 | 2,589,078 | 1,829,460 | 1,928,987 | 1,553,820 | 4,916 |
| Corporations | 619,412 | 9,919,577 | 435,937,400 | 205,142,336 | 89,710,948 | 34,136,414 | 0 | 3,966,774 | 36,566,117 |
| Partnerships and trusts | 175,300 | 726,216 | 21,992,305 | 7,302,467 | 9,536,435 | 1,799,310 | 0 | 34,762 | 0 |
| U.S. branches treated as U.S. persons | 2,241 | 22,283 | 14,017,617 | 6,988,793 | 2,839,852 | 14,029 | 0 | 2,823 | 2,747,578 |
| Governments and international organizations | 254,639 | 150,437 | 126,325,596 | 91,648,190 | 25,948,278 | 472,106 | 0 | 56,864 | 0 |
| Tax-exempt organizations [1] | 12,965 | 54,197 | 1,516,437 | 342,078 | 689,398 | 149,416 | 0 | 15,146 | 0 |
| Withholding foreign partnerships and trusts | 3,052 | 9,356 | 2,301,429 | 1,010,758 | 343,520 | 15,186 | 0 | 1,813 | 709,931 |
| Artists and athletes | 29,984 | 250,350 | 1,066,770 | 42,248 | 6,142 | 78,286 | 0 | 1,767 | 0 |
| Withholding rate pools (general) | 35,724 | 4,724,935 | 86,960,654 | 42,111,617 | 35,632,878 | 191,911 | 0 | 438 | 0 |
| Withholding rate pools (tax-exempt) | 1,092 | 4,098 | 19,279,065 | 12,027,563 | 7,056,675 | 1,926 | 0 | 5 | 0 |
| Other and unknown | 287,344 | 1,300,939 | 101,541,642 | 40,147,614 | 30,813,832 | 12,028,023 | 0 | 345,581 | 7,204,698 |
| SELECTED COUNTRIES AND RECIPIENT TYPES | | | | | | | | | |
| Argentina | 73,002 | 23,688 | 252,833 | 143,652 | 61,525 | 5,921 | 8,243 | 5,691 | 0 |
| Individuals | 68,903 | 16,853 | 194,458 | 119,441 | 46,249 | 2,050 | 8,243 | 2,709 | 0 |
| Corporations | 1,537 | 2,067 | 28,755 | 15,027 | 6,714 | 1,426 | 0 | 512 | 0 |
| Withholding rate pools (general) | 55 | 2,340 | 11,810 | 3,980 | 7,815 | d | 0 | 0 | 0 |
| Australia | 303,261 | 647,663 | 11,975,657 | 4,828,746 | 4,080,251 | 522,422 | 35,132 | 24,519 | 977,153 |
| Individuals | 135,290 | 33,406 | 242,342 | 12,613 | 92,051 | 34,805 | 35,132 | 5,144 | 0 |
| Corporations | 17,523 | 364,911 | 6,173,334 | 2,017,379 | 2,084,642 | 364,647 | 0 | 15,610 | 972,082 |
| Withholding rate pools (general) | 143 | 3,887 | 86,654 | 59,904 | 24,851 | 150 | 0 | 0 | 0 |
| Austria | 24,233 | 71,672 | 1,176,957 | 585,210 | 314,754 | 148,829 | 9,616 | 5,615 | 0 |
| Individuals | 16,373 | 5,445 | 45,267 | 2,028 | 11,192 | 4,921 | 9,616 | 826 | 0 |
| Corporations | 1,707 | 7,673 | 326,085 | 181,331 | 56,146 | 27,051 | 0 | 3,298 | 0 |
| Withholding rate pools (general) | 1,882 | 47,862 | 468,057 | 250,141 | 209,370 | 187 | 0 | 0 | 0 |
| Bahamas | 21,004 | 118,955 | 1,184,402 | 616,888 | 376,288 | 4,029 | 771 | 6,316 | 0 |
| Individuals | 2,459 | 3,385 | 17,695 | 4,157 | 5,607 | 236 | 771 | 315 | 0 |
| Corporations | 16,508 | 82,328 | 859,898 | 448,002 | 264,038 | 300 | 0 | d | 0 |
| Withholding rate pools (general) | 295 | 18,715 | 136,124 | 65,185 | 65,365 | 11 | 0 | 0 | 0 |
| Barbados | 3,189 | 8,198 | 5,735,080 | 302,653 | 28,494 | 6,615 | 1,266 | 206 | 5 |
| Individuals | 1,459 | 604 | 3,866 | 549 | 723 | 101 | 1,266 | 201 | 0 |
| Corporations | 1,376 | 6,441 | 5,681,467 | 258,599 | 23,438 | 6,414 | 0 | d | 5 |
| Withholding rate pools (general) | 25 | 85 | 7,873 | 6,250 | 1,149 | 0 | 0 | 0 | 0 |
| Belgium | 31,836 | 315,426 | 16,734,389 | 11,425,085 | 3,732,892 | 252,506 | 7,911 | 18,839 | 8,063 |
| Individuals | 25,150 | 9,172 | 81,930 | 5,665 | 32,612 | 3,604 | 7,911 | 7,923 | 0 |
| Corporations | 2,382 | 58,458 | 2,192,640 | 1,230,623 | 150,795 | 240,437 | 0 | 9,593 | 33 |
| Withholding rate pools (general) | 468 | 244,473 | 8,085,013 | 4,334,792 | 3,104,802 | 127 | 0 | 0 | 0 |
| Bermuda | 19,158 | 312,466 | 7,761,419 | 6,160,395 | 1,006,396 | 19,604 | 1,365 | 11,514 | 0 |
| Individuals | 5,809 | 3,625 | 180,778 | 163,735 | 10,305 | 1,552 | 1,365 | 488 | 0 |
| Corporations | 10,451 | 201,715 | 6,757,445 | 5,700,642 | 611,643 | 13,989 | 0 | 8,128 | 0 |
| Withholding rate pools (general) | 79 | 7,054 | 134,520 | 101,785 | 23,342 | d | 0 | 0 | 0 |
| Brazil | 76,674 | 96,766 | 3,477,363 | 3,037,933 | 162,739 | 67,319 | 5,370 | 10,480 | 0 |
| Individuals | 52,799 | 21,847 | 172,091 | 51,526 | 36,120 | 34,675 | 5,370 | 7,149 | 0 |
| Corporations | 1,850 | 66,126 | 447,576 | 181,946 | 108,953 | 21,813 | 0 | 1,609 | 0 |
| Withholding rate pools (general) | 49 | 16 | 316 | 284 | 30 | d | 0 | 0 | 0 |
| British Virgin Islands | 98,460 | 382,600 | 3,932,061 | 1,915,417 | 1,375,937 | 15,597 | 199 | 221 | 0 |
| Individuals | 2,363 | 5,138 | 35,318 | 15,917 | 16,877 | 170 | 199 | 45 | 0 |
| Corporations | 92,750 | 361,373 | 3,678,208 | 1,833,205 | 1,248,638 | 11,986 | 0 | 173 | 0 |
| Withholding rate pools (general) | 9 | d | 64 | 59 | 4 | d | 0 | 0 | 0 |

Footnotes at end of table.

Table 2. Foreign Recipients of U. S. Income Under Chapter 3 Withholding Filing Forms 1042-S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Types of Income, Selected Recipient Types, and Selected Countries of Recipients, Calendar Year 2015—Continued

[Money amounts are in thousands of dollars]

| Selected country and selected recipient type | Number of Forms 1042-S | U.S. tax withheld | Total U.S.-source income | Principal types of U.S.-source income | | | | | |
|--|------------------------|-------------------|--------------------------|---------------------------------------|------------|---------------------|--|--------------------------|------------------------------------|
| | | | | Interest | Dividends | Rents and royalties | Social Security and railroad retirement payments | Personal services income | Notional principal contract income |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| Brunei | 693 | 1,853 | 119,204 | 43,074 | 65,193 | 59 | 0 | d | 0 |
| Individuals | 414 | 28 | 173 | 33 | 64 | 4 | 0 | d | 0 |
| Corporations | 33 | 25 | 1,104 | 884 | 149 | 0 | 0 | 0 | 0 |
| Withholding rate pools (general) | d | d | d | d | d | d | d | d | d |
| Canada | 599,565 | 1,593,078 | 49,276,346 | 14,148,939 | 18,903,370 | 1,563,600 | 410,873 | 542,764 | 2,718,515 |
| Individuals | 425,624 | 120,626 | 1,566,107 | 29,613 | 149,205 | 191,504 | 410,873 | 128,900 | 0 |
| Corporations | 46,100 | 471,173 | 21,581,656 | 6,365,234 | 5,236,212 | 1,111,936 | 0 | 390,638 | 2,123,840 |
| Withholding rate pools (general) | 972 | 811,330 | 11,920,811 | 3,512,421 | 6,946,786 | 1,148 | 0 | 0 | 0 |
| Cayman Islands | 117,307 | 2,566,652 | 71,242,438 | 48,100,047 | 12,004,739 | 218,190 | 626 | 1,429 | 3,129,356 |
| Individuals | 1,505 | 14,091 | 270,790 | 256,263 | 12,121 | 149 | 626 | d | 0 |
| Corporations | 106,553 | 2,426,661 | 58,966,566 | 44,590,219 | 6,728,571 | 199,009 | 0 | 49 | 277 |
| Withholding rate pools (general) | 180 | 2,083 | 98,619 | 89,275 | 5,762 | 2,744 | 0 | 0 | 0 |
| Chile | 31,105 | 163,052 | 1,281,345 | 482,584 | 550,849 | 3,292 | 7,211 | 2,488 | 2,886 |
| Individuals | 19,534 | 7,409 | 59,349 | 25,396 | 15,026 | 461 | 7,211 | 958 | 0 |
| Corporations | 9,987 | 152,502 | 911,056 | 188,898 | 502,654 | 2,401 | 0 | 96 | 353 |
| Withholding rate pools (general) | 10 | 4 | 35 | 21 | 14 | d | 0 | 0 | 0 |
| China | 225,561 | 80,574 | 46,739,096 | 38,289,719 | 6,366,027 | 279,615 | 416 | 386,425 | 0 |
| Individuals | 207,200 | 20,801 | 576,421 | 34,639 | 49,707 | 16,441 | 416 | 321,471 | 0 |
| Corporations | 2,109 | 45,426 | 1,364,772 | 540,991 | 77,276 | 213,042 | 0 | 35,761 | 0 |
| Withholding rate pools (general) | 136 | 3 | 48 | 17 | 25 | 6 | 0 | 0 | 0 |
| Colombia | 32,773 | 84,886 | 674,443 | 336,126 | 239,808 | 11,360 | 9,763 | 3,335 | 0 |
| Individuals | 25,234 | 8,248 | 51,760 | 12,904 | 8,485 | 3,005 | 9,763 | 2,573 | 0 |
| Corporations | 3,200 | 74,788 | 367,095 | 82,233 | 224,500 | 5,669 | 0 | 556 | 0 |
| Withholding rate pools (general) | 24 | 4 | 35 | 20 | 9 | 6 | 0 | 0 | 0 |
| Cyprus | 2,639 | 4,585 | 106,510 | 35,090 | 12,828 | 16,420 | 798 | 11,617 | 0 |
| Individuals | 1,535 | 569 | 4,276 | 309 | 1,485 | 516 | 798 | 169 | 0 |
| Corporations | 775 | 3,652 | 92,862 | 27,823 | 10,125 | 15,327 | 0 | 11,353 | 0 |
| Withholding rate pools (general) | 8 | d | 15 | 0 | 5 | 9 | 0 | 0 | 0 |
| Czech Republic | 10,943 | 7,528 | 283,862 | 87,166 | 58,147 | 15,789 | 1,358 | 107,611 | 0 |
| Individuals | 9,491 | 1,803 | 15,058 | 716 | 4,444 | 641 | 1,358 | 2,330 | 0 |
| Corporations | 395 | 1,857 | 129,713 | 6,928 | 3,969 | 12,218 | 0 | 105,218 | 0 |
| Withholding rate pools (general) | 151 | 1,833 | 27,139 | 13,608 | 11,832 | 8 | 0 | 0 | 0 |
| Denmark | 21,346 | 147,798 | 5,443,418 | 1,544,072 | 2,650,055 | 499,674 | 6,554 | 6,793 | 0 |
| Individuals | 10,198 | 4,470 | 32,151 | 755 | 5,321 | 6,970 | 6,554 | 2,008 | 0 |
| Corporations | 4,428 | 81,195 | 3,251,739 | 751,097 | 1,895,068 | 213,986 | 0 | 4,491 | 0 |
| Withholding rate pools (general) | 230 | 45,355 | 732,941 | 273,551 | 296,567 | 37 | 0 | 0 | 0 |
| East Timor | 413 | 351 | 209,569 | 124,015 | 83,519 | 49 | 0 | 0 | 0 |
| Individuals | 157 | 89 | 683 | 49 | 35 | 14 | 0 | 0 | 0 |
| Corporations | 229 | 255 | 8,359 | 6,177 | 788 | 0 | 0 | 0 | 0 |
| Withholding rate pools (general) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Finland | 11,307 | 29,892 | 1,925,867 | 1,155,410 | 586,814 | 73,575 | 3,338 | 3,107 | 0 |
| Individuals | 8,681 | 1,944 | 14,941 | 198 | 2,435 | 1,273 | 3,338 | 742 | 0 |
| Corporations | 1,495 | 22,956 | 705,949 | 195,521 | 398,259 | 44,788 | 0 | 1,831 | 0 |
| Withholding rate pools (general) | 202 | 2,185 | 26,606 | 2,398 | 23,816 | d | 0 | 0 | 0 |
| France | 87,210 | 331,810 | 39,354,665 | 16,219,219 | 6,806,081 | 1,985,534 | 39,851 | 76,204 | 10,599,273 |
| Individuals | 67,936 | 30,967 | 247,058 | 7,187 | 65,549 | 26,732 | 39,851 | 42,543 | 0 |
| Corporations | 8,244 | 94,472 | 21,848,210 | 4,562,754 | 2,808,239 | 1,762,545 | 0 | 25,085 | 9,921,557 |
| Withholding rate pools (general) | 1,182 | 139,439 | 2,797,341 | 1,957,160 | 548,928 | 272 | 0 | 0 | 0 |
| Gabon | 1,894 | 2,580 | 180,295 | 40,550 | 1,417 | 52,850 | 0 | 7,943 | 0 |
| Individuals | 612 | 349 | 3,058 | 74 | 256 | 632 | 0 | 165 | 0 |
| Corporations | 238 | 56 | 118,606 | 22,038 | 52 | 28,281 | 0 | 7,578 | 0 |
| Withholding rate pools (general) | d | d | d | d | d | d | d | d | d |

Footnotes at end of table.

Table 2. Foreign Recipients of U. S. Income Under Chapter 3 Withholding Filing Forms 1042-S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Types of Income, Selected Recipient Types, and Selected Countries of Recipients, Calendar Year 2015—Continued

[Money amounts are in thousands of dollars]

| Selected country and selected recipient type | Number of Forms 1042-S | U.S. tax withheld | Total U.S.-source income | Principal types of U.S.-source income | | | | | |
|--|------------------------|-------------------|--------------------------|---------------------------------------|------------|---------------------|--|--------------------------|------------------------------------|
| | | | | Interest | Dividends | Rents and royalties | Social Security and railroad retirement payments | Personal services income | Notional principal contract income |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| Germany | 359,288 | 438,859 | 21,876,693 | 8,247,883 | 4,826,058 | 4,684,306 | 137,475 | 113,268 | 1,362,445 |
| Individuals | 307,681 | 46,337 | 780,961 | 170,145 | 182,259 | 66,370 | 137,475 | 48,612 | 0 |
| Corporations | 20,672 | 172,570 | 13,782,616 | 4,270,879 | 2,612,282 | 4,143,676 | 0 | 59,238 | 1,261,687 |
| Withholding rate pools (general) | 9,661 | 171,390 | 3,764,321 | 2,173,215 | 1,101,375 | 1,117 | 0 | 0 | 0 |
| Gibraltar | 611 | 4,982 | 239,097 | 20,232 | 214,955 | 73 | 10 | 55 | 0 |
| Individuals | 185 | 181 | 768 | 102 | 536 | 14 | 10 | 0 | 0 |
| Corporations | 300 | 1,643 | 216,759 | 10,343 | 203,205 | 7 | 0 | 55 | 0 |
| Withholding rate pools (general) | 39 | 1,702 | 13,192 | 6,747 | 6,179 | d | 0 | 0 | 0 |
| Greece | 21,188 | 14,268 | 129,580 | 16,805 | 11,292 | 5,681 | 35,886 | 3,647 | 0 |
| Individuals | 19,098 | 12,449 | 61,488 | 4,242 | 7,970 | 713 | 35,886 | 3,210 | 0 |
| Corporations | 617 | 722 | 51,542 | 3,588 | 2,188 | 3,799 | 0 | 4 | 0 |
| Withholding rate pools (general) | 30 | 8 | 7,622 | 7,595 | 24 | d | 0 | 0 | 0 |
| Guernsey | 10,659 | 134,274 | 1,521,257 | 681,923 | 478,304 | 530 | 161 | 0 | 0 |
| Individuals | 258 | 1,560 | 9,410 | 4,127 | 5,082 | 18 | 161 | 0 | 0 |
| Corporations | 8,183 | 87,630 | 1,085,985 | 574,062 | 282,796 | 334 | 0 | 0 | 0 |
| Withholding rate pools (general) | 234 | 33,026 | 185,223 | 33,217 | 130,751 | 169 | 0 | 0 | 0 |
| Hong Kong | 66,009 | 232,247 | 5,048,680 | 2,954,673 | 1,518,590 | 91,152 | 1,845 | 3,484 | 0 |
| Individuals | 57,420 | 32,922 | 160,102 | 30,285 | 95,404 | 11,439 | 1,845 | 2,238 | 0 |
| Corporations | 3,768 | 47,625 | 777,242 | 534,268 | 86,012 | 35,443 | 0 | 1,082 | 0 |
| Withholding rate pools (general) | 446 | 121,321 | 1,486,605 | 811,709 | 452,693 | 115 | 0 | 0 | 0 |
| Hungary | 6,826 | 13,613 | 1,957,454 | 933,421 | 199,593 | 33,798 | 1,267 | 3,896 | 0 |
| Individuals | 5,279 | 1,337 | 12,703 | 381 | 1,877 | 1,082 | 1,267 | 2,727 | 0 |
| Corporations | 517 | 2,648 | 1,658,836 | 839,428 | 16,451 | 30,965 | 0 | 980 | 0 |
| Withholding rate pools (general) | 43 | d | 1,271 | 1,257 | d | 13 | 0 | 0 | 0 |
| India | 111,218 | 66,741 | 4,316,028 | 1,217,349 | 100,799 | 128,652 | 4,082 | 1,271,949 | 24,192 |
| Individuals | 98,813 | 17,211 | 278,166 | 3,640 | 20,713 | 4,551 | 4,082 | 19,857 | 0 |
| Corporations | 1,535 | 32,929 | 2,704,304 | 60,002 | 77,045 | 86,430 | 0 | 1,246,089 | 21,874 |
| Withholding rate pools (general) | 81 | 7 | 71 | 0 | 4 | 41 | 0 | 0 | 0 |
| Indonesia | 11,248 | 2,922 | 536,104 | 471,508 | 5,593 | 2,439 | 393 | 1,317 | 0 |
| Individuals | 9,886 | 2,164 | 21,315 | 1,993 | 4,182 | 1,773 | 393 | 1,220 | 0 |
| Corporations | 205 | 339 | 8,458 | 7,114 | 503 | 114 | 0 | 63 | 0 |
| Withholding rate pools (general) | 116 | 7 | 46 | 0 | 36 | 10 | 0 | 0 | 0 |
| Ireland | 271,079 | 968,247 | 25,098,685 | 14,742,007 | 4,367,421 | 4,586,329 | 26,553 | 89,060 | 3,694 |
| Individuals | 252,294 | 9,516 | 101,798 | 3,628 | 41,594 | 14,665 | 26,553 | 1,523 | 0 |
| Corporations | 13,976 | 919,553 | 20,322,759 | 13,903,122 | 4,143,486 | 1,027,851 | 0 | 86,174 | 3,694 |
| Withholding rate pools (general) | 54 | 222 | 2,588 | 400 | 1,961 | 137 | 0 | 0 | 0 |
| Israel | 54,993 | 206,441 | 2,191,165 | 1,132,349 | 615,584 | 204,615 | 13,246 | 23,241 | 1,198 |
| Individuals | 44,701 | 16,951 | 159,265 | 41,953 | 42,903 | 7,153 | 13,246 | 16,888 | 0 |
| Corporations | 4,855 | 46,001 | 513,352 | 280,800 | 43,398 | 123,056 | 0 | 3,482 | 0 |
| Withholding rate pools (general) | 371 | 108,481 | 847,713 | 326,002 | 443,360 | 34 | 0 | 0 | 0 |
| Italy | 77,460 | 110,634 | 2,600,944 | 1,198,497 | 554,282 | 277,077 | 98,577 | 34,939 | 91 |
| Individuals | 64,283 | 10,425 | 362,722 | 12,759 | 25,077 | 7,511 | 98,577 | 20,668 | 0 |
| Corporations | 3,157 | 33,528 | 735,422 | 275,038 | 132,380 | 187,221 | 0 | 10,230 | 36 |
| Withholding rate pools (general) | 1,701 | 43,047 | 710,426 | 358,426 | 287,245 | 58 | 0 | 0 | 0 |
| Jamaica | 5,542 | 3,279 | 260,456 | 241,671 | 3,229 | 2,408 | 4,211 | 2,130 | 0 |
| Individuals | 4,295 | 2,253 | 13,937 | 779 | 1,156 | 1,119 | 4,211 | 2,106 | 0 |
| Corporations | 479 | 364 | 237,673 | 235,696 | 1,603 | 116 | 0 | d | 0 |
| Withholding rate pools (general) | d | d | d | d | d | d | d | d | d |
| Japan | 192,669 | 441,732 | 67,894,317 | 35,158,401 | 11,487,347 | 5,751,959 | 292,060 | 178,774 | 4,177,933 |
| Individuals | 175,835 | 18,224 | 795,682 | 26,224 | 94,974 | 267,310 | 292,060 | 31,710 | 0 |
| Corporations | 8,160 | 92,543 | 29,657,990 | 13,035,120 | 2,377,658 | 4,946,783 | 0 | 141,623 | 1,190,214 |
| Withholding rate pools (general) | 962 | 316,693 | 13,451,772 | 5,700,241 | 6,676,892 | 9 | 0 | 0 | 0 |

Footnotes at end of table.

Table 2. Foreign Recipients of U. S. Income Under Chapter 3 Withholding Filing Forms 1042-S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Types of Income, Selected Recipient Types, and Selected Countries of Recipients, Calendar Year 2015—Continued

[Money amounts are in thousands of dollars]

| Selected country and selected recipient type | Number of Forms 1042-S | U.S. tax withheld | Total U.S.-source income | Principal types of U.S.-source income | | | | | |
|--|------------------------|-------------------|--------------------------|---------------------------------------|------------|---------------------|--|--------------------------|------------------------------------|
| | | | | Interest | Dividends | Rents and royalties | Social Security and railroad retirement payments | Personal services income | Notional principal contract income |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| Jersey | 6,597 | 97,384 | 2,660,391 | 2,052,244 | 347,660 | 2,510 | 215 | 291 | 0 |
| Individuals | 413 | 1,949 | 7,418 | 757 | 6,016 | 51 | 215 | 220 | 0 |
| Corporations | 4,063 | 64,112 | 2,416,981 | 1,987,858 | 202,714 | 2,377 | 0 | 72 | 0 |
| Withholding rate pools (general) | 220 | 17,598 | 135,122 | 50,587 | 67,699 | 5 | 0 | 0 | 0 |
| Korea, Republic of (South) | 44,659 | 160,987 | 6,357,447 | 3,306,408 | 1,465,595 | 408,992 | 12,750 | 58,365 | 0 |
| Individuals | 36,606 | 11,374 | 104,041 | 3,355 | 12,052 | 10,458 | 12,750 | 25,769 | 0 |
| Corporations | 1,447 | 114,215 | 1,177,615 | 422,963 | 266,783 | 330,077 | 0 | 27,431 | 0 |
| Withholding rate pools (general) | 273 | 5,743 | 219,050 | 163,732 | 49,710 | 25 | 0 | 0 | 0 |
| Kuwait | 3,839 | 3,990 | 4,069,947 | 955,797 | 2,584,070 | 271 | 0 | d | 0 |
| Individuals | 2,025 | 998 | 4,342 | 467 | 2,688 | 235 | 0 | d | 0 |
| Corporations | 609 | 1,663 | 23,489 | 14,459 | 5,317 | d | 0 | 0 | 0 |
| Withholding rate pools (general) | d | d | d | d | d | d | d | d | d |
| Libya | 231 | 2,912 | 110,358 | 19,324 | 90,252 | 0 | 0 | 7 | 0 |
| Individuals | 196 | 108 | 778 | 14 | 8 | 0 | 0 | 7 | 0 |
| Corporations | 11 | 2,803 | 27,450 | 18,106 | 9,320 | 0 | 0 | 0 | 0 |
| Withholding rate pools (general) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Liechtenstein | 1,116 | 49,698 | 374,404 | 149,509 | 168,360 | 865 | 33 | 41 | 0 |
| Individuals | 117 | 102 | 433 | 65 | 257 | 0 | 33 | 41 | 0 |
| Corporations | 539 | 6,321 | 46,756 | 3,900 | 19,596 | 655 | 0 | 0 | 0 |
| Withholding rate pools (general) | 134 | 24,033 | 201,393 | 87,523 | 83,212 | 45 | 0 | 0 | 0 |
| Lithuania | 2,225 | 723 | 126,777 | 117,715 | 862 | 1,497 | 99 | 629 | 0 |
| Individuals | 1,869 | 318 | 2,890 | 58 | 606 | 184 | 99 | 449 | 0 |
| Corporations | 131 | 175 | 119,269 | 116,464 | 168 | 1,252 | 0 | 165 | 0 |
| Withholding rate pools (general) | 51 | d | 7 | 0 | 0 | 7 | 0 | 0 | 0 |
| Luxembourg | 20,317 | 2,066,322 | 47,114,896 | 33,438,217 | 9,456,409 | 810,654 | 607 | 3,047 | 0 |
| Individuals | 2,064 | 2,965 | 40,703 | 3,101 | 18,321 | 15,076 | 607 | 380 | 0 |
| Corporations | 16,249 | 1,182,557 | 30,296,091 | 23,445,986 | 4,075,972 | 327,503 | 0 | 2,640 | 0 |
| Withholding rate pools (general) | 1,081 | 854,597 | 9,437,075 | 5,665,375 | 2,928,364 | 321 | 0 | 0 | 0 |
| Malaysia | 48,882 | 11,830 | 998,496 | 821,007 | 142,362 | 2,541 | 453 | 586 | 0 |
| Individuals | 44,961 | 5,342 | 26,466 | 5,323 | 13,895 | 1,257 | 453 | 265 | 0 |
| Corporations | 294 | 1,524 | 25,177 | 4,455 | 2,331 | 1,123 | 0 | 318 | 0 |
| Withholding rate pools (general) | 83 | 13 | 42 | 0 | 37 | 6 | 0 | 0 | 0 |
| Malta | 3,469 | 28,029 | 247,223 | 53,383 | 15,974 | 26,129 | 2,502 | 983 | 0 |
| Individuals | 2,467 | 22,173 | 79,725 | 1,058 | 1,329 | 90 | 2,502 | 429 | 0 |
| Corporations | 770 | 4,506 | 151,550 | 43,221 | 9,352 | 25,826 | 0 | 553 | 0 |
| Withholding rate pools (general) | 27 | 458 | 6,650 | 3,713 | 2,794 | 0 | 0 | 0 | 0 |
| Mauritius | 971 | 7,604 | 112,204 | 57,608 | 18,362 | 1,117 | 76 | 14,934 | 0 |
| Individuals | 447 | 199 | 1,246 | 91 | 323 | 16 | 76 | 6 | 0 |
| Corporations | 349 | 7,181 | 100,297 | 49,358 | 17,705 | 1,091 | 0 | 14,928 | 0 |
| Withholding rate pools (general) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Mexico | 254,458 | 359,363 | 6,076,085 | 1,461,002 | 812,245 | 1,020,624 | 241,775 | 530,953 | 20 |
| Individuals | 220,510 | 107,199 | 1,097,243 | 148,515 | 125,566 | 14,526 | 241,775 | 466,296 | 0 |
| Corporations | 6,270 | 144,350 | 3,146,091 | 322,653 | 322,708 | 973,169 | 0 | 51,725 | 0 |
| Withholding rate pools (general) | 44 | 14 | 165 | 59 | 92 | 4 | 0 | 0 | 0 |
| Monaco | 1,380 | 32,766 | 257,503 | 126,315 | 89,705 | 13,444 | 542 | 103 | 0 |
| Individuals | 910 | 4,377 | 20,806 | 2,849 | 8,146 | 5,166 | 542 | 103 | 0 |
| Corporations | 87 | 2,676 | 11,782 | 2,717 | 777 | 7,887 | 0 | 0 | 0 |
| Withholding rate pools (general) | 261 | 22,576 | 211,278 | 119,581 | 79,284 | 31 | 0 | 0 | 0 |
| Netherlands | 69,560 | 233,313 | 30,270,556 | 9,202,114 | 15,693,325 | 1,562,229 | 20,417 | 344,395 | 197,191 |
| Individuals | 44,498 | 15,013 | 124,753 | 21,229 | 38,983 | 5,291 | 20,417 | 9,157 | 0 |
| Corporations | 9,495 | 90,780 | 17,129,090 | 5,503,091 | 8,034,082 | 1,166,056 | 0 | 235,149 | 46,310 |
| Withholding rate pools (general) | 375 | 61,320 | 1,205,933 | 264,403 | 721,630 | 58,128 | 0 | 0 | 0 |

Footnotes at end of table.

Table 2. Foreign Recipients of U. S. Income Under Chapter 3 Withholding Filing Forms 1042-S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Types of Income, Selected Recipient Types, and Selected Countries of Recipients, Calendar Year 2015—Continued

[Money amounts are in thousands of dollars]

| Selected country and selected recipient type | Number of Forms 1042-S | U.S. tax withheld | Total U.S.-source income | Principal types of U.S.-source income | | | | | |
|--|------------------------|-------------------|--------------------------|---------------------------------------|-----------|---------------------|--|--------------------------|------------------------------------|
| | | | | Interest | Dividends | Rents and royalties | Social Security and railroad retirement payments | Personal services income | Notional principal contract income |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| New Zealand | 43,984 | 35,740 | 533,967 | 168,176 | 271,986 | 23,911 | 1,704 | 14,229 | 0 |
| Individuals | 26,758 | 6,671 | 48,277 | 1,922 | 17,941 | 8,393 | 1,704 | 769 | 0 |
| Corporations | 3,071 | 10,131 | 99,605 | 20,816 | 45,513 | 9,888 | 0 | 12,940 | 0 |
| Withholding rate pools (general) | 22 | d | 21 | 4 | 0 | 17 | 0 | 0 | 0 |
| Norway | 22,474 | 66,023 | 9,473,014 | 3,611,877 | 4,954,038 | 50,011 | 21,515 | 78,023 | 5,482 |
| Individuals | 19,102 | 10,031 | 69,873 | 579 | 13,866 | 8,226 | 21,515 | 17,838 | 0 |
| Corporations | 1,652 | 38,667 | 845,654 | 313,792 | 248,493 | 37,523 | 0 | 38,678 | 3,787 |
| Withholding rate pools (general) | 24 | 9,677 | 184,242 | 46,282 | 62,611 | 37 | 0 | 0 | 0 |
| Oman | 828 | 3,178 | 344,729 | 221,453 | 86,709 | 16 | 0 | 92 | 0 |
| Individuals | 556 | 185 | 1,406 | 501 | 470 | 15 | 0 | 0 | 0 |
| Corporations | 39 | 28 | 27,826 | 574 | 45 | 0 | 0 | 92 | 0 |
| Withholding rate pools (general) | d | d | d | d | d | d | d | d | d |
| Panama | 30,047 | 47,062 | 572,784 | 395,212 | 139,468 | 1,483 | 2,414 | 1,614 | 0 |
| Individuals | 5,162 | 3,103 | 24,312 | 9,087 | 4,134 | 257 | 2,414 | 1,531 | 0 |
| Corporations | 22,347 | 38,807 | 449,914 | 309,888 | 119,634 | 951 | 0 | 13 | 0 |
| Withholding rate pools (general) | 73 | 1,653 | 15,396 | 8,798 | 5,451 | 9 | 0 | 0 | 0 |
| Peru | 17,267 | 54,247 | 512,011 | 307,448 | 173,546 | 943 | 2,279 | 894 | 0 |
| Individuals | 9,307 | 2,570 | 21,787 | 9,214 | 3,635 | 424 | 2,279 | 487 | 0 |
| Corporations | 799 | 51,133 | 262,771 | 75,886 | 169,176 | 273 | 0 | 278 | 0 |
| Withholding rate pools (general) | 11 | 8 | 36 | 6 | 26 | 0 | 0 | 0 | 0 |
| Philippines | 28,117 | 49,500 | 1,117,099 | 819,317 | 15,891 | 12,761 | 32,877 | 2,757 | 0 |
| Individuals | 23,041 | 14,059 | 64,830 | 4,569 | 8,652 | 1,139 | 32,877 | 1,536 | 0 |
| Corporations | 496 | 3,034 | 103,151 | 33,189 | 4,150 | 5,965 | 0 | 881 | 0 |
| Withholding rate pools (general) | 15 | 0 | 3 | 0 | 0 | 3 | 0 | 0 | 0 |
| Poland | 36,983 | 28,175 | 516,244 | 327,739 | 23,106 | 56,740 | 63,273 | 10,736 | 0 |
| Individuals | 33,120 | 19,217 | 90,917 | 3,811 | 4,220 | 7,550 | 63,273 | 4,738 | 0 |
| Corporations | 552 | 5,326 | 67,851 | 4,404 | 9,232 | 29,108 | 0 | 5,525 | 0 |
| Withholding rate pools (general) | 325 | 6 | 49 | 0 | d | 49 | 0 | 0 | 0 |
| Portugal | 12,104 | 10,536 | 1,470,072 | 1,357,925 | 41,453 | 4,892 | 19,366 | 4,693 | 0 |
| Individuals | 10,511 | 6,516 | 37,807 | 1,717 | 6,260 | 500 | 19,366 | 3,840 | 0 |
| Corporations | 487 | 1,371 | 1,363,525 | 1,342,418 | 4,359 | 1,344 | 0 | 146 | 0 |
| Withholding rate pools (general) | 106 | 183 | 3,016 | 1,675 | 1,245 | 18 | 0 | 0 | 0 |
| Puerto Rico | 9,736 | 8,307 | 994,618 | 882,871 | 78,594 | 664 | 541 | 814 | 0 |
| Individuals | 725 | 572 | 2,733 | 455 | 272 | 37 | 541 | 21 | 0 |
| Corporations | 6,409 | 6,140 | 626,558 | 563,797 | 40,893 | 185 | 0 | 747 | 0 |
| Withholding rate pools (general) | d | d | d | d | d | d | d | d | d |
| Russia | 28,670 | 11,500 | 1,608,112 | 1,353,337 | 23,147 | 24,323 | 77 | 17,811 | 0 |
| Individuals | 22,910 | 3,349 | 69,728 | 10,466 | 12,831 | 12,645 | 77 | 11,501 | 0 |
| Corporations | 573 | 5,353 | 207,110 | 39,037 | 7,631 | 6,293 | 0 | 6,080 | 0 |
| Withholding rate pools (general) | 721 | 207 | 12,859 | 12,573 | 245 | 41 | 0 | 0 | 0 |
| Saudi Arabia | 7,743 | 14,850 | 2,484,380 | 1,552,445 | 737,625 | 1,078 | 19 | 535 | 0 |
| Individuals | 5,964 | 2,870 | 16,063 | 3,787 | 6,523 | 363 | 19 | 486 | 0 |
| Corporations | 463 | 8,029 | 218,993 | 137,532 | 28,175 | 344 | 0 | 45 | 0 |
| Withholding rate pools (general) | 5 | 0 | 4,069 | d | d | d | d | d | d |
| Senegal | 1,940 | 3,389 | 512,771 | 22,549 | 6,951 | 2,746 | 22 | 2,090 | 0 |
| Individuals | 1,339 | 666 | 3,904 | 535 | 1,556 | 25 | 22 | 157 | 0 |
| Corporations | 222 | 1,852 | 487,921 | 16,119 | 2,410 | 14 | 0 | 1,858 | 0 |
| Withholding rate pools (general) | 13 | 815 | 5,576 | 2,261 | 2,862 | d | 0 | 0 | 0 |
| Singapore | 98,051 | 159,848 | 9,546,063 | 4,832,471 | 3,266,576 | 33,140 | 563 | 5,378 | 4,916 |
| Individuals | 85,217 | 26,510 | 109,836 | 10,621 | 74,477 | 3,223 | 563 | 1,213 | 4,916 |
| Corporations | 4,373 | 55,235 | 1,369,052 | 1,071,725 | 156,923 | 22,504 | 0 | 3,107 | 0 |
| Withholding rate pools (general) | 440 | 59,734 | 393,222 | 170,367 | 202,529 | 198 | 0 | 0 | 0 |

Footnotes at end of table.

Table 2. Foreign Recipients of U. S. Income Under Chapter 3 Withholding Filing Forms 1042-S: Number, U.S. Tax Withheld, and U.S.-Source Income, by Principal Types of Income, Selected Recipient Types, and Selected Countries of Recipients, Calendar Year 2015—Continued

[Money amounts are in thousands of dollars]

| Selected country and selected recipient type | Number of Forms 1042-S | U.S. tax withheld | Total U.S.-source income | Principal types of U.S.-source income | | | | | |
|--|------------------------|-------------------|--------------------------|---------------------------------------|------------|---------------------|--|--------------------------|------------------------------------|
| | | | | Interest | Dividends | Rents and royalties | Social Security and railroad retirement payments | Personal services income | Notional principal contract income |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| South Africa | 26,523 | 39,747 | 480,948 | 186,198 | 214,121 | 9,447 | 1,418 | 1,327 | 0 |
| Individuals | 21,152 | 5,489 | 36,907 | 2,240 | 18,775 | 3,144 | 1,418 | 979 | 0 |
| Corporations | 1,816 | 16,730 | 225,570 | 92,092 | 102,399 | 5,198 | 0 | 111 | 0 |
| Withholding rate pools (general) | 31 | 18 | 136 | 17 | 116 | d | 0 | 0 | 0 |
| Spain | 82,356 | 84,596 | 3,626,855 | 1,364,755 | 338,659 | 232,622 | 29,979 | 229,582 | 1,014,022 |
| Individuals | 68,405 | 19,028 | 136,555 | 19,439 | 47,723 | 8,705 | 29,979 | 6,456 | 0 |
| Corporations | 7,052 | 33,460 | 1,454,464 | 231,186 | 158,283 | 108,858 | 0 | 220,021 | 387,600 |
| Withholding rate pools (general) | 453 | 16,652 | 225,201 | 103,148 | 107,078 | 61 | 0 | 0 | 0 |
| Swaziland | 313 | 38,390 | 270,028 | 101,664 | 121,745 | 2,728 | 17 | d | 0 |
| Individuals | 199 | 164 | 2,713 | 24 | 80 | 1,562 | 17 | d | 0 |
| Corporations | 13 | 62 | 4,722 | 3,421 | 1,227 | 0 | 0 | 0 | 0 |
| Withholding rate pools (general) | 71 | 38,127 | 260,708 | 97,635 | 120,439 | 39 | 0 | 0 | 0 |
| Sweden | 28,749 | 254,955 | 5,741,113 | 1,628,993 | 2,295,073 | 1,157,236 | 17,633 | 10,045 | 0 |
| Individuals | 22,877 | 8,734 | 55,533 | 2,258 | 10,743 | 6,241 | 17,633 | 3,239 | 0 |
| Corporations | 2,953 | 105,454 | 3,028,667 | 601,722 | 1,116,544 | 866,986 | 0 | 5,560 | 0 |
| Withholding rate pools (general) | 172 | 132,428 | 918,482 | 102,505 | 810,456 | 10 | 0 | 0 | 0 |
| Switzerland | 72,147 | 975,902 | 45,050,005 | 20,664,743 | 10,890,385 | 5,398,342 | 22,012 | 396,803 | 1,368,770 |
| Individuals | 39,659 | 25,768 | 649,315 | 20,502 | 128,437 | 431,588 | 22,012 | 7,531 | 0 |
| Corporations | 11,599 | 250,516 | 23,873,314 | 9,889,122 | 4,812,156 | 2,511,419 | 0 | 386,742 | 1,073,785 |
| Withholding rate pools (general) | 3,773 | 684,337 | 7,853,366 | 3,453,241 | 4,103,644 | 890 | 0 | 95 | 0 |
| Taiwan | 113,326 | 193,968 | 15,510,854 | 13,941,274 | 884,194 | 17,367 | 736 | 23,538 | 15,956 |
| Individuals | 105,469 | 27,983 | 153,761 | 39,094 | 72,768 | 1,656 | 736 | 953 | 0 |
| Corporations | 4,695 | 147,038 | 2,887,563 | 2,189,351 | 461,150 | 2,912 | 0 | 22,203 | 15,956 |
| Withholding rate pools (general) | 54 | 1,445 | 53,337 | 46,499 | 4,778 | 6 | 0 | 0 | 0 |
| Thailand | 21,396 | 7,812 | 416,185 | 342,348 | 40,906 | 3,816 | 5,940 | 4,003 | 0 |
| Individuals | 16,510 | 4,320 | 33,485 | 3,537 | 8,900 | 1,869 | 5,940 | 3,556 | 0 |
| Corporations | 533 | 1,654 | 28,290 | 15,534 | 9,743 | 468 | 0 | 366 | 0 |
| Withholding rate pools (general) | 1,226 | 7 | 67 | 3 | 0 | 63 | 0 | 0 | 0 |
| Trinidad and Tobago | 6,793 | 7,126 | 250,165 | 198,032 | 41,823 | 348 | 1,878 | 655 | 0 |
| Individuals | 5,320 | 1,801 | 11,474 | 2,425 | 2,891 | 161 | 1,878 | 604 | 0 |
| Corporations | 890 | 4,652 | 92,215 | 74,046 | 16,008 | 34 | 0 | 5 | 0 |
| Withholding rate pools (general) | d | d | d | d | d | d | d | d | d |
| Turkey | 11,369 | 6,664 | 265,742 | 210,222 | 10,179 | 7,858 | 1,544 | 752 | 0 |
| Individuals | 9,704 | 4,410 | 31,167 | 2,018 | 5,776 | 1,269 | 1,544 | 705 | 0 |
| Corporations | 322 | 1,655 | 47,249 | 27,477 | 3,647 | 3,328 | 0 | 6 | 0 |
| Withholding rate pools (general) | 124 | 4 | 23 | 0 | 15 | 9 | 0 | 0 | 0 |
| United Arab Emirates | 12,547 | 29,859 | 2,758,533 | 904,085 | 1,324,280 | 4,518 | 83 | 10,804 | 0 |
| Individuals | 10,263 | 4,803 | 21,190 | 1,804 | 11,092 | 1,343 | 83 | 172 | 0 |
| Corporations | 871 | 18,704 | 294,241 | 74,685 | 64,483 | 1,703 | 0 | 3,288 | 0 |
| Withholding rate pools (general) | 11 | 25 | 86 | d | 84 | d | 0 | 0 | 0 |
| United Kingdom | 543,026 | 1,189,289 | 108,585,916 | 45,941,718 | 24,705,043 | 3,554,310 | 133,220 | 403,305 | 21,342,196 |
| Individuals | 435,042 | 111,407 | 1,229,642 | 108,110 | 465,393 | 205,149 | 133,220 | 50,226 | 0 |
| Corporations | 36,777 | 492,112 | 71,739,842 | 31,453,811 | 10,755,055 | 2,447,837 | 0 | 317,745 | 19,394,142 |
| Withholding rate pools (general) | 1,734 | 330,383 | 11,552,986 | 5,083,167 | 3,789,816 | 122,639 | 0 | 0 | 0 |
| Uruguay | 13,058 | 8,130 | 176,221 | 139,653 | 24,096 | 875 | 1,016 | 3,403 | 0 |
| Individuals | 9,349 | 2,405 | 39,062 | 27,177 | 7,058 | 371 | 1,016 | 1,125 | 0 |
| Corporations | 2,526 | 3,884 | 64,172 | 47,473 | 12,261 | 210 | 0 | 2,259 | 0 |
| Withholding rate pools (general) | 183 | 893 | 22,685 | 19,138 | 3,149 | 3 | 0 | 0 | 0 |
| Venezuela | 119,478 | 142,255 | 2,839,367 | 176,347 | 45,469 | 4,058 | 1,010 | 5,445 | 0 |
| Individuals | 105,071 | 10,646 | 194,675 | 134,636 | 38,275 | 2,739 | 1,010 | 3,915 | 0 |
| Corporations | 4,072 | 1,465 | 46,022 | 36,288 | 6,027 | 750 | 0 | 17 | 0 |
| Withholding rate pools (general) | 19 | 15 | 259 | 162 | 93 | 0 | 0 | 0 | 0 |
| Vietnam | 4,264 | 1,670 | 102,145 | 92,271 | 559 | 247 | 33 | 377 | 0 |
| Individuals | 3,845 | 1,382 | 8,751 | 211 | 404 | 193 | 33 | 237 | 0 |
| Corporations | 61 | 30 | 141 | 9 | 53 | 27 | 0 | 24 | 0 |
| Withholding rate pools (general) | 13 | d | 6 | 0 | 5 | d | 0 | 0 | 0 |

d—Not shown to avoid disclosure of information about specific taxpayers. However, the data are included in the appropriate totals.

[1] Unrelated business income paid to foreign tax-exempt organizations is subject to U.S. withholding tax.

NOTES: Detail may not add to totals because of rounding. Form 1042-S is entitled *Foreign Person's U.S.-Source Income Subject to Withholding*. All countries with total U.S.-source income over \$100 million for Calendar Year 2015 were selected for this table.

SOURCE: IRS, Statistics of Income Division, Foreign Recipients of U.S. Income, October 2017.

Table 3. Recipients of U.S. Income Under Chapter 4 Withholding Filing Forms 1042-S: Number, Total U.S.-Source Income, and U.S. Tax Withheld, by Selected Income Types, Calendar Year 2015

[Money amounts are in thousands of dollars]

| Income types | Number of Forms 1042-S [1] | U.S.-source income | | | U.S. tax withheld |
|---|----------------------------|--------------------|-------------------------|------------------------|-------------------|
| | | Total | Exempt from withholding | Subject to withholding | |
| | (1) | (2) | (3) | (4) | (5) |
| Total | 72,350 | 3,670,206 | 2,922,205 | 748,001 | 95,006 |
| Dividends | 37,083 | 579,699 | 220,353 | 359,346 | 43,469 |
| Interest | 27,803 | 1,291,907 | 983,337 | 308,569 | 34,223 |
| Rents and royalties | 1,475 | 601,065 | 557,979 | 43,086 | 6,735 |
| Return on capital | 520 | 52,435 | 46,838 | 5,597 | 1,512 |
| Compensation for independent personal services | 498 | 48,356 | 45,509 | 2,847 | 785 |
| Pensions, annuities, alimony, and/or insurance premiums | 105 | 23,589 | 21,670 | 1,919 | 525 |
| Notional principal contract income | 22 | 758,160 | 758,160 | 0 | 0 |
| Scholarship or fellowship grants | 16 | 12,601 | 2,131 | 10,470 | 3,493 |
| All other income types | 4,828 | 302,394 | 286,226 | 16,168 | 4,264 |

[1] Data in this table are based on returns filed pursuant to Chapter 4 of the Internal Revenue Code. Returns that were filed pursuant to Chapter 3 of the Code are not included in this table; however, they are included in Tables 1 and 2.

NOTES: Detail may not add to totals because of rounding. Form 1042-S is entitled *Foreign Person's U.S.-Source Income Subject to Withholding*.

SOURCE: IRS, Statistics of Income Division, Foreign Recipients of U.S. Income, October 2017.

Controlled Foreign Corporations, Tax Year 2012

by Jason Wenrich

For Tax Year 2012, foreign corporations controlled by U.S. multinational corporations held \$18.6 trillion in assets and reported receipts of \$6.9 trillion. These controlled foreign corporations (CFCs) paid \$130.8 billion in foreign income taxes on \$924.1 billion of earnings and profits (E&P) (less deficit) before income taxes. While the number of CFCs increased by only 4.5 percent from Tax Year 2010, CFC assets, receipts, foreign taxes paid, and E&P (less deficit) before income taxes all increased by more than 10 percent.

Almost 80 percent, or 70,268, of CFCs for Tax Year 2012 were concentrated in three major industrial sectors: (1) services; (2) goods production; and (3) distribution and transportation of goods. These three industrial sectors accounted for 84.1 percent of receipts (\$5.8 trillion), 78.3 percent of E&P (less deficit) before income taxes (\$724.0 billion), and 65.1 percent of income taxes (\$85.1 billion). Foreign corporations in the finance, insurance, real estate, and rental and leasing sector held 33.9 percent of total CFC assets (\$6.3 trillion) while generating only 8.2 percent of total CFC receipts (\$560.2 billion) and 11.6 percent of total CFC E&P (less deficit) before income taxes (\$107.6 billion).

For Tax Year 2012, some 88,038 CFCs were incorporated in 192 different countries.¹ Almost 41 percent, or 35,823, of these CFCs were incorporated in Europe. Nearly 91 percent of these European CFCs were located in European Union countries. Asian CFCs accounted for 25.7 percent of all CFCs; 14.0 percent were incorporated in Latin America.

Controlled Foreign Corporations as Vehicles for Direct Foreign Investment

Direct foreign investment by U.S. persons may take several forms, including foreign branches, partnerships, and separate corporations. This article deals with the use of the corporation as a vehicle for direct foreign investment. For U.S. income tax purposes, a foreign corporation is “controlled” if U.S. shareholders own more than 50 percent of its outstanding voting stock, or more than 50 percent of the value of all its outstanding stock (directly, indirectly, or constructively) on any day during the foreign corporation’s tax year. A “noncontrolled” foreign corporation is any foreign corporation that fails to meet either of the above requirements for control. For purposes of determining

control, a U.S. shareholder is defined as a U.S. person who owns 10 percent or more of the foreign corporation’s total combined voting stock.² However, for Statistics of Income purposes, a foreign corporation is controlled only if one U.S. corporation satisfies either of the above 50 percent ownership requirements for an uninterrupted period of at least 30 days during the foreign corporation’s tax year.³ For Tax Year 2012, there were 14,039 U.S. corporations that held such control over 88,038 CFCs. All statistics in this article pertaining to CFCs meet this definition.

In general, the income of a CFC is not taxable to the U.S. shareholders until repatriated in the form of a dividend. Prior to 1962, U.S. taxpayers could defer U.S. tax on such income indefinitely by accumulating this income in a CFC. To address the potential for tax avoidance, Congress enacted the Subpart F provision of the Internal Revenue Code in 1962.⁴ These provisions require certain items of income to be treated as dividends

Highlights

- Controlled foreign corporations (CFC) held \$18.6 trillion in assets, reported \$6.9 trillion in receipts, and paid \$130.8 billion in foreign income taxes on \$924.1 billion of earnings and profits (E&P) (less deficit) before income taxes.
- Over 88,000 CFCs were incorporated in 192 different countries with over 40 percent of these CFCs incorporated in Europe.
- More than 70,000 CFCs were concentrated in the services, goods production, and distribution and transportation of goods sectors and account for 84.1 percent of receipts, 78.3 percent of E&P (less deficit) before income taxes, and 65.1 percent of foreign income taxes paid.
- CFCs reported a total of \$63.1 billion of Subpart F income.
- CFCs distributed \$475.8 billion of E&P to U.S. and foreign shareholders. More than \$93 billion of these distributions represented taxable dividends to the U.S. parent corporation.
- CFCs had more than \$2.5 trillion in end-of-year accumulated E&P. Almost 90 percent of the accumulated E&P was not previously taxed E&P.
- CFCs were the tax owners of 23,538 foreign disregarded entities (FDE). These FDEs held \$7.2 trillion in assets and reported \$278.5 billion in E&P (less deficit).

¹ Based on unpublished data.

² The current definition of a Controlled Foreign Corporation is provided in Internal Revenue Code section 957. Ownership attribution rules are provided in section 958.

³ The statistics in this article pertain only to foreign corporations for which one U.S. corporation satisfies the requirements for control. This is because complete Form 5471 filings are required only for foreign corporations controlled by a single U.S. shareholder (i.e., those shareholders meeting the definition of a “Category of Filer 4” taxpayer per the Form 5471 instructions). Partial filing requirements exist for noncontrolled foreign corporations and for controlled foreign corporations which are not controlled by a single U.S. shareholder. For more details, refer to the instructions for Form 5471.

⁴ The prevention of tax avoidance was a primary tax policy objective that led to the enactment of the Subpart F provisions of the Internal Revenue Code. Other policy considerations also contributed to the enactment of Subpart F. For more detailed information on the history of Subpart F, see *The Deferral of Income Earned Through U.S. Controlled Foreign Corporations: A Policy Study*, Office of Tax Policy, Department of the Treasury, December 2000.



deemed paid to the U.S. shareholders and, therefore, subject to current-year U.S. taxation. A U.S. shareholder of a CFC may be required to include in gross income the shareholder's ratable share of the CFC's: (1) Subpart F income;⁵ (2) earnings invested in U.S. property; (3) previously excluded Subpart F income withdrawn from "qualified investments" in less developed countries; (4) previously excluded export trade income withdrawn from investment in export trade assets; and (5) factoring income (income derived from the acquisition of a trade or service receivable). For Tax Year 2012, CFCs reported a total of \$63.1 billion of Subpart F income.

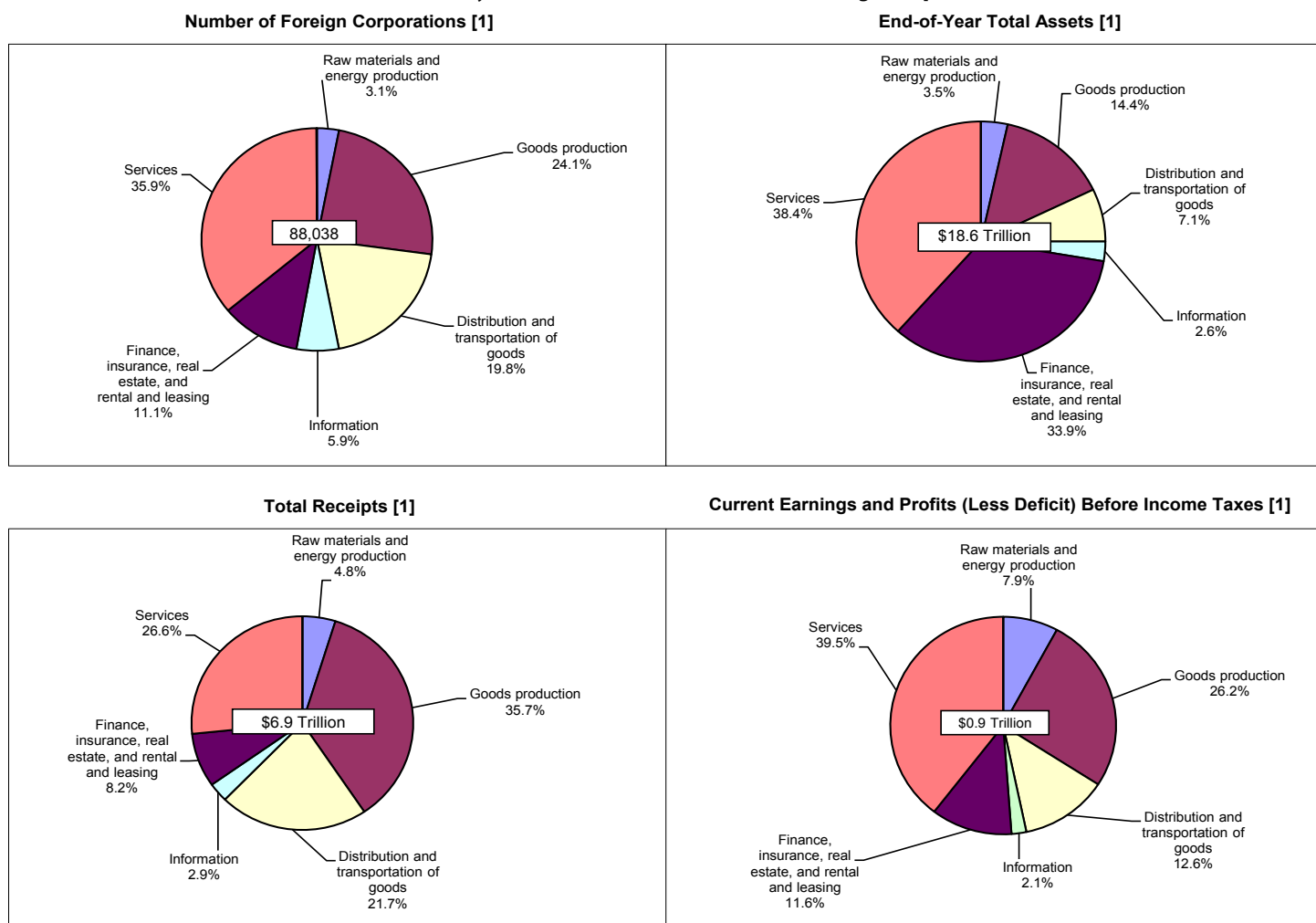
Assets, Receipts, and Earnings and Profits for CFCs by Industrial Sector

For Tax Year 2012, goods producers accounted for 14.4 percent of end-of-year assets and 35.7 percent of total receipts (see Figure A). CFCs in this industrial sector earned 26.2 percent

of the E&P (less deficit) before income taxes for all corporate-owned CFCs. Goods producers paid \$28.3 billion of foreign taxes, representing 21.6 percent of all foreign taxes paid by CFCs. Food, beverage and tobacco, chemical, computer and electronic product, and transportation equipment manufacturers collectively reported 65.2 percent of end-of-year assets, 61.2 percent of total receipts, and 72.2 percent of E&P (less deficit) before income taxes for all CFCs in the goods production sector. Computer and electronic product manufacturers alone generated 39.6 percent of the E&P (less deficit) before income taxes but paid only 8.7 percent of the foreign income taxes reported by all goods producers. Within the goods production sector, semiconductor and other electronic component manufacturers and medical equipment and supplies manufacturers experienced significant increases in profitability. Semiconductor and other electronic component manufacturers reported \$82.1 billion in E&P (less deficit) before income taxes for Tax Year 2012, after

Figure A

U.S. Corporations and Their Controlled Foreign Corporations: Number, End-of-Year Total Assets, Total Receipts, and Current Earnings and Profits (Less Deficit) Before Income Taxes by Industrial Sector of Controlled Foreign Corporation, Tax Year 2012



⁵ See Subpart F income in the Explanation of Selected Terms section of this article.

having reported only \$41.4 billion in earnings for Tax Year 2010. Medical equipment and supplies manufacturers reported an increase in E&P (less deficit) before income taxes from \$9.8 billion for Tax Year 2010 to \$21.2 billion for Tax Year 2012.

For Tax Year 2012, CFCs engaged in finance, insurance, real estate, and rental and leasing held 33.9 percent of all assets while generating only 8.2 percent of the total receipts and 11.6 percent of the E&P (less deficit) before income taxes reported by all CFCs. Although the number of CFCs in this sector decreased by 1.6 percent from 2010, E&P (less deficit) before income taxes increased by 27.2 percent from Tax Year 2010. More than \$5.3 trillion, or more than 85.0 percent of the assets reported for this industrial sector were attributable to finance corporations, which also generated 67.4 percent of the total receipts and 82.6 percent of the E&P (less deficit) before income taxes for this industrial sector. Insurance CFCs reported more than \$0.7 trillion in end-of-year assets (11.9 percent of the total for the sector) and over \$0.1 trillion in receipts (25.7 percent of the total for the sector).

There were more CFCs in the services sector than any other industrial sector. For Tax Year 2012, some 35.9 percent of all CFCs were classified as service corporations. Service providers

reported \$7.1 trillion in end-of-year assets and \$1.8 trillion in receipts. However, excluding management and holding companies, CFCs classified in the services sector reported only \$1.1 trillion in end-of-year assets and \$0.6 trillion in receipts.

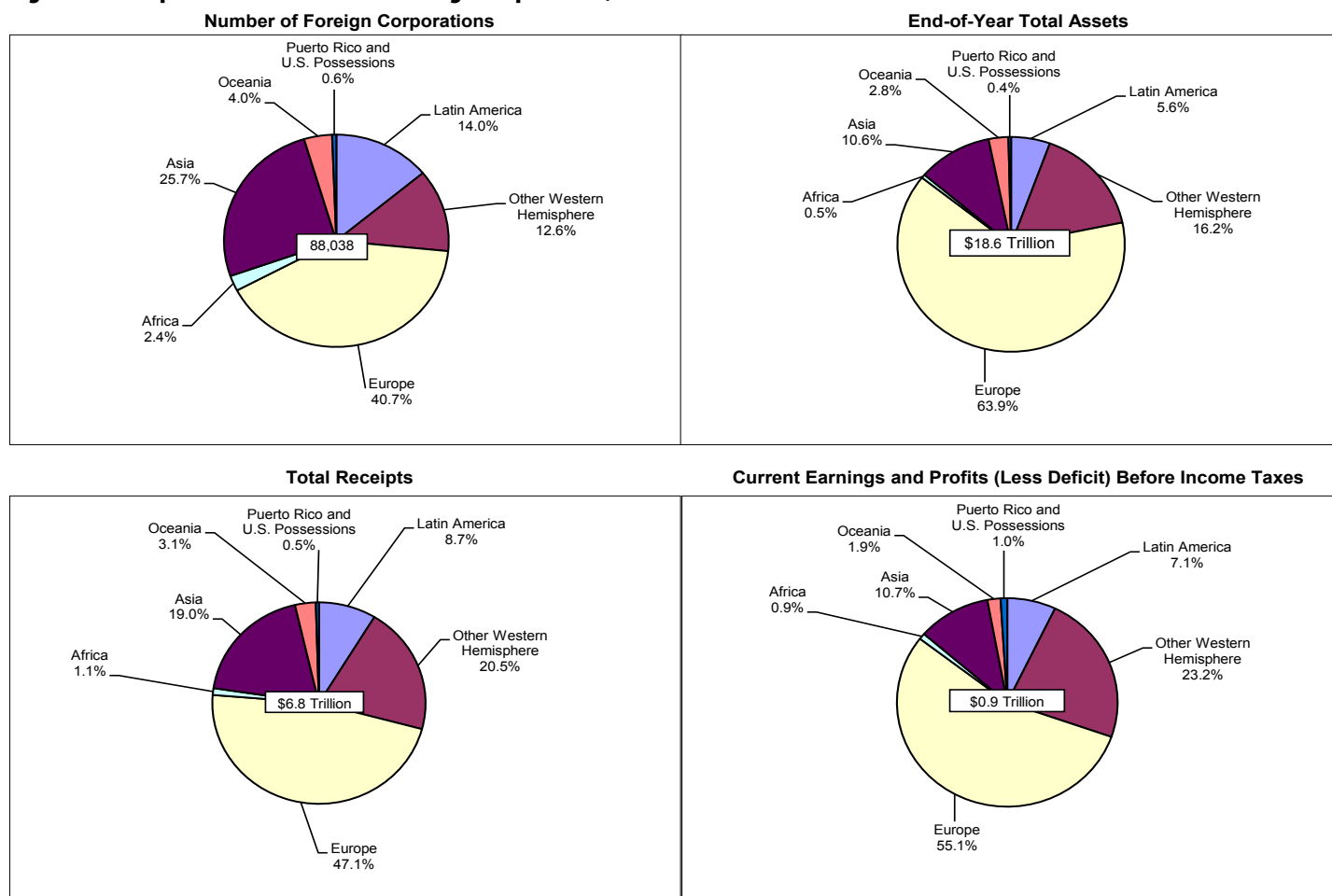
Every major industrial sector, except for the information sector, showed increases in E&P (less deficit) before income taxes between Tax Year 2010 and Tax Year 2012. CFCs engaged in the distribution and transportation of goods reported a 34.8-percent increase, the largest of any major industrial sector. CFCs in the finance, insurance, real estate, and rental and leasing sector reported an increase of 27.2 percent in E&P (less deficit) before income taxes. The information sector reported a 23.8-percent decrease despite a 33.5-percent increase in total receipts for the sector.

Assets, Receipts, and Earnings and Profits for CFCs by Geographic Distribution

The geographic distribution of CFCs by major region of incorporation shows that for Tax Year 2012, Europe remained the most significant region for CFC activity (Figure B). Europe alone accounted for 63.9 percent of end-of-year assets, 47.1

Figure B

U.S. Corporations and Their Controlled Foreign Corporations: Number, End-of-Year Assets, Receipts, and Earnings by Geographic Region of Incorporation of Controlled Foreign Corporation, Tax Year 2012



NOTE: Detail may not add to 100 percent because of rounding.
SOURCE: IRS, Statistics of Income Division, Controlled Foreign Corporations, August 2018.

percent of total receipts, and 55.1 percent of E&P (less deficit) before income taxes for all CFCs. European CFCs paid 38.6 percent of the \$130.8 billion of foreign income taxes reported by all CFCs for Tax Year 2012. Within Europe, most CFC activity was concentrated in European Union (EU) countries. More than 90 percent of European CFCs were incorporated in EU countries. These CFCs reported 93.5 percent of ending assets, 86.4 percent of total receipts, and 89.9 percent of E&P (less deficit) before income taxes for all European CFCs. More than 46 percent of European CFCs not incorporated in EU countries were incorporated in Switzerland. These Swiss CFCs accounted for 80.1 percent of ending assets, 83.1 percent of receipts, and 80.5 percent of E&P (less deficit) before income taxes for non-EU European CFCs.

Other Western Hemisphere countries (which include Canada and Caribbean countries but exclude Central and South America) and Asia were also significant regions of CFC activity. CFCs conducting business in Other Western Hemisphere countries held 16.2 percent of all CFC end-of-year assets and reported 20.5 percent of all CFC receipts. These CFCs reported 23.2 percent of the E&P (less deficit) before income taxes and paid 25.5 percent of the foreign income taxes paid by all CFCs. Within the Other Western Hemisphere region, Canada was home to the largest amount of CFC activity. Canadian CFCs generated 46.3 percent of the total receipts for this region. Canadian CFCs accounted for 21.5 percent of the E&P (less deficit) before income taxes and 27.7 percent of the foreign income taxes for CFCs in this region. With 7,195 CFCs, Canada had more CFCs than any other country except the United Kingdom (9,025).

CFCs in Asia reported 10.6 percent of ending assets, 19.0 percent of the total receipts, and 10.7 percent of the E&P (less deficit) before income taxes for all CFCs. More activity was reported for CFCs in Japan than any other Asian country. Japanese CFCs accounted for 37.9 percent of the ending assets, 23.9 percent of the total receipts, and 15.3 percent of the E&P (less deficit) before income taxes reported by all Asian CFCs. For Tax Year 2012, there were more CFCs incorporated in China (5,988) than any other Asian country, including Japan (2,381). In fact, for Tax Year 2012, only two countries had more CFCs than China.⁶ For Tax Year 2012, Japan (\$311.4 billion) was the only Asian country that accounted for more CFC receipts than China (\$242.1 billion).

The two geographic groupings with the smallest CFC representation were Africa and U.S. Possessions (including Puerto Rico). Only 3.0 percent of all CFCs were incorporated in these two regions. Collectively, they accounted for 0.9 percent of the end-of-year assets, 1.6 percent of total receipts, and 1.9 percent of E&P (less deficit) before income taxes for all CFCs. Within Africa, most CFC activity was concentrated in five countries.

Egypt, Liberia, Mauritius, Nigeria, and South Africa collectively accounted for 88.3 percent of ending assets, 85.6 percent of the total receipts, and 92.1 percent of the E&P (less deficit) before income taxes for all African CFCs.⁷ More than 40 percent of the African CFCs were incorporated in South Africa alone and these South African CFCs reported 30.4 percent of the ending assets, 55.9 percent of the total receipts, and 27.6 percent of the E&P (less deficit) before income taxes reported by all African CFCs.⁸

Most CFC activity in the U.S. Possessions is attributable to Puerto Rico. Puerto Rican CFCs held 94.4 percent of ending assets and generated 94.7 percent of the total receipts reported by all CFCs operating in the U.S. Possessions.⁹ For Tax Year 2012, the average tax rate for CFCs incorporated in Puerto Rico and U.S. Possessions was 2.8 percent compared to the average tax rate of 14.3 percent for all other CFCs.¹⁰ CFCs incorporated in African countries had the highest average rate of any region at 32.2 percent.

Between Tax Year 2010 and Tax Year 2012, the number of CFCs increased by 4.5 percent. CFC assets increased by 17.0 percent and E&P (less deficit) before income taxes increased by 12.4 percent. Despite only a 4.4-percent increase in the number of European CFCs between Tax Year 2010 and Tax Year 2012, end-of-year assets increased by 19.2 percent and E&P (less deficit) before income taxes increased by 20.6 percent. Africa experienced the largest percentage increase of any major geographic region in the number of CFCs between Tax Year 2010 and Tax Year 2012 (13.3 percent). African CFCs also reported an 18.3-percent increase in end-of-year assets and a 48.2-percent increase in total receipts between those same 2 years. This increase is largely attributable to the 19.8-percent increase in South African CFCs.¹¹ South African CFCs reported a 55.9-percent increase in end-of-year assets and a 73.8-percent increase in total receipts between Tax Year 2010 and Tax Year 2012.¹²

CFC Profitability

For purposes of this article, two measures are used to assess pretax profitability for CFCs: rate of return on assets and profit margin. Rate of return on assets is defined as current E&P (less deficit) before income taxes divided by end-of-year assets. Profit margin is defined as current E&P (less deficit) before income taxes divided by total receipts.

For Tax Year 2012, profitability measures varied among the six major industrial sectors. CFCs engaged in raw materials and energy production reported both the highest rate of return (11.3 percent) and the highest profit margin (22.0 percent). The high profitability of this sector is largely attributable to CFCs in the mining, quarrying, and oil and gas extraction subsector. The return on assets for this subsector was 12.4 percent and the

⁶ The countries with the most CFCs are: United Kingdom (9,025), Canada (7,195), China (5,988), Mexico (5,074), Germany (3,859), Netherlands (3,690), France (3,116), Australia (2,779), India (2,682), and Hong Kong (2,630).

⁷ Based on unpublished data.

⁸ Based on unpublished data.

⁹ Based on unpublished data.

¹⁰ See "Average tax rate" in the Explanation of Selected Terms at the end of this article.

¹¹ Based on unpublished data.

¹² Based on unpublished data.

profit margin was 24.2 percent. CFCs in the utilities subsector reported a 5.7-percent return on assets and a 15.0-percent profit margin, while CFCs engaged in agriculture, forestry, fishing, and hunting reported a 6.9-percent return on assets and a 7.2-percent profit margin.

The next highest return on assets was for CFCs engaged in the goods production sector (9.0 percent) and in the distribution and transportation of goods sector (8.8 percent). These CFCs, however, also reported two of the lowest profit margins of any sector (9.9 percent in the goods production sector, and 7.8 percent in the distribution and transportation of goods sector). CFCs in the finance, insurance, real estate, and rental and leasing sector reported the lowest return on assets (1.7 percent). CFCs in the services sector reported the second highest profit margin (20.0 percent).

Distribution of Earnings and Profits by CFCs

For Tax Year 2012, CFCs distributed \$475.8 billion of E&P to U.S. and foreign shareholders. More than 73 percent of distributions of E&P were from not previously taxed E&P (\$349.5 billion), while the remainder was distributed from previously taxed E&P (\$126.3 billion). More than 19 percent of CFC distributions (or \$93.5 billion) represented taxable dividends to the U.S. parent corporation.

The majority of distributions of E&P are attributed to CFCs doing business in the goods production and services sectors. These two industrial sectors distributed \$327.1 billion of E&P or 68.7 percent of total distributions. Of this total, \$247.7 billion were from not previously taxed E&P, with the remaining \$79.4 billion coming from previously taxed E&P. More than 26 percent of the distributions by goods producers were attributable to chemical manufacturers. Manufacturers of computers and electronic products and manufacturers of beverage and tobacco products accounted for an additional 15.9 percent and 16.1 percent of all distributions by CFCs in the goods production sector. CFCs classified as management companies reported

84.0 percent of the distributions to shareholders reported by all services CFCs. CFCs engaged in oil and gas extraction accounted for 79.7 percent of all distributions from the raw materials and energy production sector.

European-based CFCs accounted for 51.6 percent (\$245.4 billion) of all distributions of E&P. Nearly 64 percent of these distributions were from not previously taxed E&P (\$156.1 billion), with the remainder distributed from previously taxed E&P (\$89.3 billion). CFCs incorporated in European Union countries made 92.0 percent of all shareholder distributions by European CFCs. CFCs in the Other Western Hemisphere region distributed \$116.1 billion of E&P in Tax Year 2012 or 24.4 percent of all distributions. Bermudian CFCs accounted for 54.3 percent of these distributions; CFCs in Canada accounted for 20.3 percent and the Cayman Islands accounted for 16.0 percent.

Figure C displays taxable payout ratios by industrial sector. The taxable payout ratio is defined as taxable dividends paid to a U.S. person by a CFC with positive current E&P net of current-year Subpart F income divided by positive current E&P net of current-year Subpart F income (see definitions of “U.S. person,” “Current earnings and profits,” and “Subpart F income” in the Explanation of Selected Terms at the end of this article). For Tax Year 2012, CFCs reported a taxable payout ratio of 8.3 percent. CFCs in the raw materials and energy production sector reported the largest taxable payout ratio (21.7 percent). The information sector reported the lowest payout ratio (3.6 percent).

Accumulated Earnings and Profits by Industrial Sector and Geographic Region

For Tax Year 2012, CFCs had more than \$2.5 trillion in end-of-year accumulated E&P. This is an increase of 28.9 percent over Tax Year 2010 end-of-year accumulated E&P. Almost 90 percent of accumulated E&P was not previously taxed (\$2.3 trillion) while the remainder was previously taxed E&P (\$255.3 billion).¹³

Figure C

U.S. Corporations and Their Controlled Foreign Corporations: Number of Foreign Corporations with Positive Current Earnings and Profits Net of Current Year Subpart F Income and Amounts, and Taxable Payout Ratios, by Industrial Sector of Controlled Foreign Corporation, Tax Year 2012

| Industrial sector of controlled foreign corporation | Number of foreign corporations with positive current earnings and profits net of current year Subpart F income | Positive current earnings and profits net of current year Subpart F income [1] | Taxable payout ratio (percentage) |
|---|--|--|-----------------------------------|
| | (1) | (2) | (3) |
| All industries [2] | 48,361 | 786,794,161,138 | 8.3 |
| Raw materials and energy production | 1,038 | 53,644,799,136 | 21.7 |
| Goods production | 12,676 | 221,753,560,711 | 4.9 |
| Distribution and transportation of goods | 10,484 | 83,777,554,793 | 5.1 |
| Information | 2,792 | 26,802,594,960 | 3.6 |
| Finance, insurance, real estate, and rental and leasing | 4,669 | 96,450,673,863 | 7.6 |
| Services | 16,690 | 304,363,909,756 | 10.0 |

[1] Amounts are multiplied by the total percentage of voting stock owned by the Form 5471 filer at the end of its annual accounting period.

[2] Includes “Nature of business not allocable,” not shown separately.

SOURCE: IRS, Statistics of Income Division, Controlled Foreign Corporations, August 2018.

¹³ See “Previously taxed earnings and profits” in the Explanation of Selected Terms section of this article.

CFCs doing business in the goods production and services sectors accounted for the majority of end-of-year accumulated E&P. These two industrial sectors held \$1.6 trillion, or 65.0 percent, of the total end-of-year accumulated E&P, \$1.5 trillion, or 65.8 percent, of not previously taxed E&P, and \$146.7 billion, or 57.4 percent, of the previously taxed E&P reported by all CFCs. More than 30 percent of the total end-of-year accumulated E&P of goods producers was attributable to computer and electronic product manufacturers. These CFCs held 31.9 percent (\$207.5 billion) of not previously taxed E&P reported by all goods producers.

Chemical manufacturers accounted for an additional 22.6 percent of the total end-of-year accumulated E&P for goods producers. CFCs classified as management companies reported 76.4 percent (\$718.6 billion) of total end-of-year accumulated E&P and 75.4 percent (\$631.0 billion) of the not previously taxed E&P reported by all services CFCs.

European-based CFCs accounted for 56.8 percent (\$1.4 trillion) of total end-of-year accumulated E&P and 55.8 percent (\$1.3 trillion) of not previously taxed E&P. CFCs incorporated in European Union countries reported 83.2 percent of total end-of-year accumulated E&P and 82.7 percent of the not previously taxed E&P reported by all European CFCs. Switzerland reported the majority of the remaining European total end-of-year accumulated E&P (\$218.8 billion). CFCs in the Other Western Hemisphere region reported \$566.3 billion or 22.5 percent of total end-of-year accumulated E&P. Bermuda accounted for 43.2 percent of this total accumulated E&P; CFCs in Canada accounted for 29.0 percent and the Cayman Islands accounted for 14.2 percent.

CFCs and Foreign Disregarded Entities

A foreign disregarded entity (FDE) is an entity that is created or organized outside the United States and is disregarded as a separate entity from its tax owner for U.S. income tax purposes. The tax owner is treated as owning all the FDE's assets and liabilities. The tax owner is typically a U.S. or foreign corporation or partnership. FDEs are created for various international tax planning reasons, including Subpart F and foreign tax credit planning. The statistics presented below pertain only to FDEs with tax owners that are controlled foreign corporations.

For Tax Year 2012, controlled foreign corporations were tax owners of 23,538 FDEs. These foreign disregarded entities reported \$7.2 trillion in assets and \$278.5 billion in E&P (less deficit) after taxes. Foreign disregarded entities owned by controlled foreign corporations operated in 161 different countries.¹⁴ Figure D displays foreign disregarded entity data by geographic region and selected country of incorporation. For Tax Year 2012, some 61.3 percent of foreign disregarded entities owned by CFCs were incorporated in European countries.

European FDEs accounted for 78.4 percent of the ending assets and 72.3 percent of the E&P (less deficit) after income taxes reported for all FDEs.¹⁵ Almost 93 percent of European FDEs were incorporated in European Union countries. European Union FDEs accounted for 94.4 percent of the ending assets and 89.0 percent of the E&P (less deficit) after taxes reported for all European FDEs. The United Kingdom domiciled 14.0 percent of all FDEs for Tax Year 2012, far more than any other country. United Kingdom FDEs reported more than \$2.1 trillion in end-of-year assets, more than 29 percent of all FDE assets. FDEs organized in Ireland generated more E&P (less deficit) after taxes (\$77.8 billion) than any other country. FDEs organized in the Netherlands reported \$34.3 billion of E&P (less deficit) after income taxes, third only to Irish FDEs and FDEs organized in the United Kingdom (\$36.9 billion).

Figure E presents FDE data by industrial sector. For Tax Year 2012, more than 35 percent of FDEs operated in the services sector. These service FDEs reported \$3.0 trillion in end-of-year assets. Finance, insurance, real estate, and rental and leasing sector FDEs reported \$2.3 trillion in end-of-year assets. FDEs engaged in services and the distribution and transportation of goods reported the most E&P (less deficit) after income taxes, reporting \$101.1 billion and \$76.7 billion, respectively. Together these sectors accounted for 63.9 percent of all FDE earnings.

Data Sources and Limitations

The statistics presented in this article are based on information collected from corporate income tax returns (Form(s) 1120) with accounting periods ending July 2012 through June 2013 and their attached Form(s) 5471, *Information Return of U.S. Persons With Respect to Certain Foreign Corporations*. A U.S. corporation is required by Internal Revenue Service regulations to submit Form 5471 for any Controlled Foreign Corporation (CFC) with an accounting period ending with or within the U.S. parent's accounting period. Thus, the accounting periods for Tax Year 2012 CFCs may have ended as early as July 2011 and as late as June 2013. However, most CFC activity occurred in Calendar Year 2012. These statistics report data for active foreign corporations controlled by U.S. corporations.¹⁶

Coefficient of variation (CV) tables are not provided because these data are not subject to significant sampling error. For example, CFCs sampled at a 100-percent rate accounted for 96.4 percent of the sampled population and 86.4 percent of the estimated population. Furthermore, CFCs sampled at a 100-percent rate accounted for 99.6 percent of the total ending assets for all CFCs.¹⁷ However, these data may be subject to nonsampling error.

Several limitations apply when making comparisons to prior-year statistics. First, the data in this article are based on a sample

¹⁴ Based on unpublished data.

¹⁵ Taxpayers use IRS Form 8858, *Information Return of U.S. Persons With Respect to Foreign Disregarded Entities*, to report information about FDEs. Unlike Form 5471 which is used to collect CFC data, taxpayers do not report foreign income tax paid on Form 8858. As a result, this article does not include FDE data for E&P (less deficit) before income taxes.

¹⁶ See definition of "Active versus inactive Controlled Foreign Corporations" in the Explanation of Selected Terms section.

¹⁷ Based on unpublished data.

Figure D

Foreign Disregarded Entities Owned by Controlled Foreign Corporations: Number of Foreign Disregarded Entities, End-of-Year Total Assets, and Current Earnings and Profits (Less Deficit) After Income Taxes, by Selected Country of Incorporation of Foreign Disregarded Entity, Tax Year 2012

[Money amounts in thousands of dollars]

| Selected country of incorporation of foreign disregarded entity | Number of foreign disregarded entities | End-of-year total assets | Current earnings and profits (less deficit) after income taxes |
|---|--|--------------------------|--|
| | (1) | (2) | (3) |
| All geographic regions | 23,538 | 7,277,316,988 | 278,499,176 |
| Latin America, total | 1,307 | 165,071,852 | 8,621,061 |
| Brazil | 358 | 52,789,716 | 2,159,922 |
| Mexico | 470 | 73,327,426 | 4,017,071 |
| Other Western Hemisphere, total | 1,873 | 702,364,733 | 34,269,160 |
| Bermuda | 285 | 183,692,860 | 2,224,558 |
| Canada | 595 | 254,543,460 | 6,767,719 |
| Cayman Islands | 656 | 195,800,124 | 21,522,063 |
| Europe, total | 14,421 | 5,705,035,630 | 201,456,361 |
| European Union, total | 13,400 | 5,386,279,959 | 179,372,031 |
| Belgium | 347 | 76,822,529 | 817,096 |
| France (including Corsica, Guadeloupe, Martinique, and Reunion) | 1,217 | 165,630,221 | 652,955 |
| Germany | 1,588 | 304,075,425 | 6,842,331 |
| Ireland | 741 | 640,192,674 | 77,757,362 |
| Italy | 574 | 57,678,326 | 919,587 |
| Luxembourg | 702 | 766,568,370 | 17,447,694 |
| Netherlands | 2,091 | 914,607,804 | 34,270,079 |
| Spain (including Canary Isles) | 703 | 62,109,080 | -832,336 |
| Sweden | 468 | 73,214,616 | 1,719,721 |
| United Kingdom and Northern Ireland (including Gibraltar) | 3,297 | 2,145,087,695 | 36,873,813 |
| Other European countries, total | 1,021 | 318,755,670 | 22,084,330 |
| Switzerland | 415 | 226,321,625 | 18,229,274 |
| Africa, total | 444 | 36,106,082 | 4,203,661 |
| Asia, total | 4,267 | 324,006,472 | 26,127,320 |
| China | 1,498 | 66,932,459 | 3,637,915 |
| Hong Kong | 909 | 75,433,454 | 4,576,957 |
| Singapore | 597 | 96,652,636 | 8,428,600 |
| Oceania, total | 1,203 | 343,321,046 | 2,771,330 |
| Australia | 977 | 336,344,771 | 2,801,800 |
| Puerto Rico and U.S. Possessions, total | 23 | 1,411,173 | 1,050,284 |

SOURCE: IRS, Statistics of Income Division, Controlled Foreign Corporations, August 2018.

Figure E

Foreign Disregarded Entities Owned by Controlled Foreign Corporations: Number of Foreign Disregarded Entities, End-of-Year Total Assets, and Current Earnings and Profits (Less Deficit) After Income Taxes, by Industrial Sector of Foreign Disregarded Entity, Tax Year 2012

[Money amounts in thousands of dollars]

| Industrial sector of "Category of Filer 4" foreign disregarded entity | Number of foreign disregarded entities | End-of-year total assets | Current earnings and profits (less deficit) after income taxes |
|---|--|--------------------------|--|
| | (1) | (2) | (3) |
| All industries | 23,538 | 7,277,316,988 | 278,499,176 |
| Raw materials and energy production | 1,529 | 308,725,276 | 23,864,211 |
| Goods production | 4,960 | 784,375,792 | 53,123,751 |
| Distribution and transportation of goods | 4,123 | 542,183,948 | 76,724,393 |
| Information | 1,563 | 336,614,464 | 2,438,211 |
| Finance, insurance, real estate, and rental and leasing | 2,640 | 2,273,294,108 | 20,172,210 |
| Services | 8,340 | 3,018,437,434 | 101,133,980 |
| Nature of business not allocable | 382 | 13,685,966 | 1,042,420 |

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

SOURCE: IRS, Statistics of Income Division, Controlled Foreign Corporations, August 2018.

of U.S. corporations. For Tax Year 2012, this sample generally includes all CFCs controlled by U.S. corporations with \$50 million or more in total assets or \$10 million or more in “proceeds” and all CFCs controlled by U.S. corporations with less than \$50 million in total assets in the SOI corporate sample.¹⁸ The sample for the Tax Year 2012 CFC statistics is far more inclusive than studies conducted before Tax Year 2004, which included only the 7,500 largest CFCs controlled by U.S. corporations with \$500 million or more in total assets.

Second, statistics previously published by Statistics of Income for tax years before 1986 were for all CFCs controlled by U.S. corporations with total assets of \$250 million or more, and were not limited to the 7,500 largest active CFCs controlled by U.S. corporations with total assets of \$500 million or more. Therefore, the statistics for these years include smaller and also inactive CFCs. For this reason, comparisons between statistics on the largest CFCs and statistics for years before 1986 should be made with caution.

Finally, fluctuations in exchange rates can have significant effects on the reported statistics. Financial statistics that are translated using current (as opposed to historical) rates of exchange can be distorted by large exchange rate fluctuations. For example, weakening of the U.S. dollar against many currencies from Tax Year 2002 to Tax Year 2004 certainly contributed to the large increases in some statistics over that period. The U.S. dollar generally fluctuated far less against most major currencies between Tax Year 2010 and Tax Year 2012 than it had between Tax Year 2002 and Tax Year 2004.

Caution should also be used when comparing data by industrial groupings. Beginning with Tax Year 1998, CFCs were classified under the North America Industry Classification System (NAICS), which differs from the Standard Industrial Classification (SIC) system used before Tax Year 1998. While most industries were not affected by the implementation of NAICS, the groupings of some economic activities were changed. The most significant change was the movement of the management of companies and enterprises subsector from finance, insurance, and real estate under the SIC system to the services sector under NAICS. Furthermore, CFCs were classified by an industry based on their principal business activity as reported on Form 5471. However, assets, receipts, and profits may have also been related to secondary business activities. It is not possible to measure the extent of these secondary business activities due to their not being detailed on Form 5471.

The data reported on Form 5471 generally represent the financial information of each foreign corporation and not the amounts attributable to the U.S. shareholder filing the Form 5471. Data reported on Form 5471, Schedule I, are the exception to this general rule. The Subpart F income and dividends received reported on the Schedule I represent the amount of foreign dividends taxable to the U.S. shareholder filing the Form 5471.

U.S. shareholders do not prepare consolidated Form 5471 filings as they typically do for Forms 1120 that are filed for

domestic corporations. U.S. shareholders file a separate Form 5471 for each foreign corporation for which this form is required. As a result, the Form 5471 data presented in this article contain inherent double counting to the extent intercompany transactions occur.

The foreign disregarded entity data cited in this article are reported on Form 8858, *Information Return of U.S. Persons With Respect to Foreign Disregarded Entities*. The FDE data in this article pertain only to active FDEs that are owned by controlled foreign corporations. Data attributable to inactive FDEs and FDEs that are owned by foreign partnerships or U.S. entities are excluded from the statistics in this article. The sampling procedures used for Forms 8858 mirror those described above for Forms 5471.

As mentioned above, the tax owners of FDEs are treated as owning all FDE assets and liabilities. Consequently, CFCs that are tax owners of FDEs include the earnings and profits of their FDEs in their current E&P. To the extent that FDEs are incorporated in countries different from their tax owners, geographic statistics for CFCs presented in this article may misrepresent, to some degree, the true geographic source of these earnings and profits. For Tax Year 2012, some 70.0 percent of FDEs owned by CFCs were incorporated in a country different from their tax owner. These FDEs accounted for 45.1 percent of the end-of-year assets and 37.6 percent of the E&P (less deficit) after income taxes reported by FDEs with tax owners that are CFCs. Figure F presents selected geographic data for FDEs incorporated in countries different from their tax owners. For Tax Year 2012, \$104.7 billion of E&P (less deficit) after income taxes reported by CFCs were earned by FDEs outside of the CFCs country of incorporation. Table 3 shows CFC data attributable to FDEs by FDE country within CFC country.

The industrial data presented in this article also may be somewhat distorted because FDEs may have industry codes different from the CFCs that own them. Table 4 shows CFC data attributable to FDEs by FDE industrial sector within CFC industrial sector. For Tax Year 2012, some 46.6 percent of FDEs operated in an industrial sector different from their CFC owners. These FDEs accounted for 37.0 percent of the assets and 59.6 percent of the E&P (less deficit) after income taxes reported by all CFC-owned foreign disregarded entities. For Tax Year 2012, some 36.6 percent of the E&P (less deficit) after income taxes for CFCs in the goods production sector were attributable to FDEs operating in a different industrial sector. Similarly, the E&P (less deficit) after income taxes reported by CFCs in the distribution and transportation of goods sector (24.6 percent) and information sector (15.4 percent) were attributable to FDEs classified in a different industrial sector.

Explanation of Selected Terms

Active versus inactive Controlled Foreign Corporations—In general, a foreign corporation was considered “active” if earnings and profits, income taxes, receipts, expenses, distributions of E&P, or certain transactions between the foreign corporation

¹⁸ See Statistics of Income – 2012, Corporation Income Tax Returns, for a more complete description of the SOI Corporate sample. The SOI Corporate sample is the basis for the SOI Controlled Foreign Corporation sample. In other words, the Controlled Foreign Corporation sample includes every Form 5471 filed by each corporation in the SOI Corporate sample.

Figure F

Foreign Disregarded Entities Incorporated in Different Countries From Their Controlled Foreign Corporation Tax Owners: Number of Foreign Disregarded Entities and Current Earnings and Profits (Less Deficit) After Income Taxes, by Selected Country of Incorporation of Foreign Disregarded Entity, Tax Year 2012

[Money amounts in thousands of dollars]

| Selected country of incorporation of foreign disregarded entity | Number of foreign disregarded entities | Current earnings and profits (less deficit) after income taxes |
|---|--|--|
| All geographic regions | 16,374 | 104,748,905 |
| Selected countries, total | 13,202 | 87,525,757 |
| Luxembourg | 409 | 15,234,701 |
| United Kingdom and Northern Ireland (including Gibraltar) | 1,714 | 14,945,043 |
| Netherlands | 1,018 | 11,566,345 |
| Switzerland | 311 | 10,969,870 |
| Cayman Islands | 323 | 9,859,027 |
| Ireland | 394 | 7,507,633 |
| Germany | 1,114 | 4,447,312 |
| Hong Kong | 775 | 4,083,046 |
| Singapore | 493 | 3,835,342 |
| China | 1,301 | 2,507,792 |
| Thailand | 61 | 2,484,483 |
| Canada | 246 | 2,353,905 |
| Sweden | 316 | 1,696,921 |
| Malaysia | 198 | 1,445,824 |
| Mexico | 303 | 1,266,472 |
| Denmark | 186 | 1,253,092 |
| British Virgin Islands | 97 | 1,006,277 |
| Belgium | 318 | 847,497 |
| Australia | 462 | 655,627 |
| Bahamas | 33 | 606,264 |
| Brazil | 294 | 509,335 |
| Jersey | 47 | 310,684 |
| Italy | 520 | 279,917 |
| Venezuela | 22 | 214,706 |
| Hungary | 137 | 180,218 |
| Portugal | 113 | 160,919 |
| Barbados | 27 | 133,648 |
| France (including Corsica, Guadeloupe, Martinique, and Reunion) | 910 | 75,960 |
| Austria | 215 | -4,743 |
| Malta | 62 | -12,333 |
| Spain | 647 | -910,651 |
| Bermuda | 136 | -11,984,375 |

SOURCE: IRS, Statistics of Income Division, Controlled Foreign Corporations, August 2018.

and its subsidiaries or majority shareholder were reported on Form 5471, *Information Return of U.S. Persons with Respect to Certain Foreign Corporations*. The filing of Form 5471 was required even if a CFC was dormant or inactive for Tax Year 2012. However, only data from active CFCs are included in the statistics in this article, unless otherwise noted.

Average tax rate—For purposes of this article, the average tax rate is defined as income tax divided by earnings and profits (less deficit) before income taxes.

Controlled Foreign Corporation—Section 957 of the Internal Revenue Code defines a foreign corporation as being “controlled” if more than 50 percent of the total combined voting power of all classes of stock of such corporation entitled to vote, or more than 50 percent of the value of all its outstanding stock,

is owned (directly, indirectly, or constructively) by U.S. shareholders on any day during the foreign corporation’s tax year. A U.S. shareholder for purposes of determining control is defined as a “U.S. person”¹⁹ owning 10 percent or more of the foreign corporation’s voting stock. For purposes of these statistics, a foreign corporation was “controlled” only if a single U.S. corporation satisfied the ownership requirements for an uninterrupted period of at least 30 days. These are the only foreign corporations for which complete Form 5471 filings were required. U.S. corporations may also control a CFC through a partnership where the U.S. corporation is the controlling partner. To the extent possible, these CFCs have also been included in these statistics.

Country of incorporation—The country of incorporation is the country under whose laws the CFC is legally created. The CFC’s country of incorporation is not necessarily the principal place of business. For Tax Year 2012, there were 1,504 CFCs (1.7 percent) that reported a principal place of business that differed from the reported country of incorporation. Table 2 provides data by country of incorporation; data by principal place of business are not included in these statistics.

Current earnings and profits—“Current earnings and profits” represent the difference between total earnings and profits of the foreign corporation at the end of the current year (before reduction by dividends paid during the year) and the accumulated earnings and profits of the corporation at the beginning of the year. Although current earnings and profits typically are an after-tax measure of profits, they are shown in these statistics both before and after taxes. “Earnings and profits” is a tax concept referring to the economic capacity of a corporation to make a distribution to shareholders that is not a return on capital. The term “earnings and profits” is not specifically defined in the Internal Revenue Code.

In those instances where current earnings and profits were not reported for the foreign corporation, net income per books was used in place of missing earnings and profits.

Distributions out of earnings and profits—A distribution comes first from current earnings and profits and then from accumulated earnings and profits.

Income taxes—CFCs reported income, war profits, and excess profits taxes paid or accrued to any foreign country or U.S. Possession as income tax for their annual accounting periods.

OPEC countries—The member countries of the Organization of Petroleum Exporting Countries for Tax Year 2012 were: Algeria, Angola, Ecuador, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates, and Venezuela. (Although OPEC countries are not discussed in the text, they are included in Table 2.)

Previously taxed earnings and profits—This includes any earnings and profit amounts that were subject to U.S. tax in the current year or in a prior year, but not distributed. Previously taxed earnings and profits include amounts related to Subpart F income (see definition below), earnings related to investments

¹⁹ See definition of “U.S. person” elsewhere in this section.

in certain U.S. property, previously excluded Subpart F income withdrawn from qualified investments, previously excluded export trade income withdrawn from investment in export trade assets, factoring income, and earnings invested in excess passive assets.

Subpart F Income—Internal Revenue Code sections 951 and 952 stipulate specific cases in which earnings and profits are deemed to have been paid by a CFC to a U.S. shareholder. Such income is subject to U.S. tax whether or not it is repatriated to U.S. shareholders in the form of an actual dividend. Internal Revenue Code section 951 requires that U.S. shareholders include in their gross incomes certain undistributed profits of foreign corporations controlled by U.S. shareholders. Subpart F income from a CFC includes certain insurance income of U.S. risks, “foreign base company” income, international boycott participation income, bribes and other illegal payments to foreign government officials, and income from any country that the United States does not recognize or from which it has severed relations, or which repeatedly provides support for acts of international terrorism.

Total receipts—Total receipts equal business receipts (gross receipts from sales and operations) plus income from investment activity. In the statistics reported prior to 1990, “business receipts” were used to describe the larger of “gross receipts from sales and operations” and “total income.” The latter is a tax return concept used to describe the sum of business receipts less cost of sales and operations (i.e., gross profit), plus income (less loss) from investments.

U.S. person—A U.S. person can be a U.S. citizen or resident individual, a domestic partnership, a domestic corporation, or an estate or trust (other than a foreign estate or trust whose income from sources outside the United States is not includable in the beneficiaries’ gross income).

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Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2012

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

| Industrial sector and selected industrial subsector of controlled foreign corporation [1] | Number of U.S. corporation returns [2] | Controlled foreign corporations | | | | | | |
|--|--|---------------------------------|-----------------------|-----------------------|----------------------|--------------------|---|--------------------|
| | | Number of foreign corporations | Total assets | | Total receipts | Dividend income | Current earnings and profits (less deficit) before income taxes | Income taxes |
| | | | Beginning of year | End of year | | | | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| All industries | 14,039 | 88,038 | 17,282,107,662 | 18,596,353,104 | 6,857,571,434 | 449,025,762 | 924,126,084 | 130,814,745 |
| Raw materials and energy production | 518 | 2,708 | 632,958,560 | 646,380,925 | 330,873,691 | 14,163,993 | 72,921,215 | 25,574,653 |
| Agriculture, forestry, fishing, and hunting | 143 | 564 | 20,506,100 | 24,035,135 | 23,118,184 | 84,085 | 1,657,933 | 365,219 |
| Mining, quarrying, and oil and gas extraction | 322 | 1,641 | 520,071,817 | 531,445,628 | 273,311,080 | 13,325,092 | 66,093,158 | 24,270,905 |
| Oil and gas extraction | 119 | 957 | 424,451,697 | 392,474,102 | 220,786,442 | 13,199,633 | 58,016,345 | 21,709,556 |
| Other mining, quarrying, and oil and gas extraction | 221 | 684 | 95,620,121 | 138,971,527 | 52,524,638 | 125,459 | 8,076,813 | 2,561,349 |
| Utilities | 78 | 503 | 92,380,642 | 90,900,161 | 34,444,427 | * 754,816 | 5,170,124 | 938,529 |
| Goods production | 5,014 | 21,182 | 2,494,637,950 | 2,681,463,250 | 2,451,151,561 | 110,186,202 | 242,201,556 | 28,276,552 |
| Construction | 339 | 858 | 19,486,008 | 22,348,918 | 31,261,114 | 80,437 | 3,084,156 | 747,986 |
| Manufacturing | 4,722 | 20,324 | 2,475,151,942 | 2,659,114,332 | 2,419,890,447 | 110,105,764 | 239,117,400 | 27,528,566 |
| Food manufacturing | 188 | 1,033 | 194,793,404 | 242,895,438 | 180,562,600 | 281,864 | 8,473,522 | 2,098,525 |
| Grain and oilseed milling | 16 | 101 | 18,308,312 | 19,205,079 | 33,597,124 | * 9,005 | 1,352,272 | 394,930 |
| Other food manufacturing | 179 | 933 | 176,485,093 | 223,690,359 | 146,965,475 | 272,859 | 7,121,250 | 1,703,595 |
| Beverage and tobacco product manufacturing | 45 | 370 | 210,186,900 | 217,437,192 | 153,039,795 | 1,939,688 | 24,268,324 | 4,258,469 |
| Beverage manufacturing | 38 | 310 | 167,092,315 | 170,960,914 | 86,140,589 | 1,304,853 | 12,705,032 | 2,012,574 |
| Tobacco manufacturing | 7 | 60 | 43,094,585 | 46,476,278 | 66,899,206 | * 634,834 | 11,563,292 | 2,245,895 |
| Paper manufacturing | 86 | 399 | 35,425,923 | 37,375,446 | 35,394,800 | * 206,117 | 1,482,085 | 361,103 |
| Petroleum and coal products manufacturing | 38 | 131 | 97,437,111 | 98,281,146 | 295,440,983 | 267,106 | 5,683,468 | 977,966 |
| Chemical manufacturing | 439 | 3,012 | 621,119,144 | 602,289,297 | 358,120,354 | 47,858,927 | 42,278,781 | 6,206,722 |
| Basic chemical manufacturing | 90 | 603 | 58,557,203 | 56,913,396 | 43,220,393 | 308,188 | 3,671,949 | 1,085,196 |
| Pharmaceutical and medicine manufacturing | 111 | 591 | 395,613,771 | 365,510,535 | 192,211,842 | 46,084,488 | 25,380,516 | 2,469,944 |
| Paint, coating, and adhesive manufacturing | 46 | 399 | 19,020,287 | 20,371,454 | 17,087,777 | 173,483 | 1,190,865 | 253,807 |
| Soap, cleaning compound, and toilet preparation manufacturing | 36 | 264 | 13,882,550 | 13,967,350 | 23,017,929 | * 71,415 | 2,449,803 | 607,713 |
| Other chemical manufacturing | 228 | 1,155 | 134,045,333 | 145,526,562 | 82,582,413 | 1,221,352 | 9,585,648 | 1,790,061 |
| Plastics and rubber products manufacturing | 333 | 881 | 53,995,401 | 56,129,545 | 51,789,164 | 233,364 | 3,038,650 | 479,601 |
| Nonmetallic mineral product manufacturing | 85 | 269 | 58,813,269 | 64,000,823 | 28,071,061 | 130,619 | 4,374,516 | 907,631 |
| Primary metal manufacturing | 139 | 303 | 53,410,806 | 53,589,222 | 36,281,592 | * 12,760 | -898,046 | 227,541 |
| Fabricated metal product manufacturing | 432 | 1,441 | 78,292,802 | 82,418,461 | 54,319,217 | 324,085 | 3,918,261 | 894,493 |
| Machinery manufacturing | 1,029 | 2,649 | 113,990,598 | 124,853,355 | 105,078,951 | 655,532 | 7,340,224 | 1,737,404 |
| Agriculture, construction, and mining machinery manufacturing | 45 | 308 | 33,618,721 | 47,537,776 | 38,834,009 | * 114,876 | 2,050,604 | 629,830 |
| Industrial machinery manufacturing | 472 | 848 | 19,231,680 | 20,171,981 | 14,121,784 | 86,808 | 1,256,483 | 283,688 |
| Ventilation, heating, air-conditioning, and commercial refrigeration equipment manufacturing | 45 | 284 | 14,173,491 | 14,669,573 | 17,846,038 | 90,556 | 1,279,040 | 295,459 |
| Other machinery manufacturing | 534 | 1,209 | 46,966,707 | 42,474,025 | 34,277,120 | 363,292 | 2,754,097 | 528,427 |
| Computer and electronic product manufacturing | 624 | 2,240 | 366,069,174 | 439,398,019 | 482,403,250 | 31,395,312 | 95,933,613 | 2,451,712 |
| Computer and peripheral equipment manufacturing | 144 | 327 | 120,663,263 | 147,298,666 | 107,146,422 | 310,537 | 10,846,930 | 767,839 |
| Communications equipment manufacturing | 120 | 581 | 29,057,362 | 33,087,138 | 30,701,304 | 73,899 | 884,647 | 370,135 |
| Semiconductor and other electronic component manufacturing | 277 | 896 | 173,378,850 | 209,370,996 | 314,148,645 | 30,931,785 | 82,102,258 | 993,298 |
| Other computer and electronic manufacturing | 143 | 437 | 42,969,699 | 49,641,219 | 30,406,878 | 79,091 | 2,099,779 | 320,440 |
| Electric equipment, appliance, and component manufacturing | 517 | 1,582 | 100,332,502 | 99,800,021 | 79,372,664 | 901,196 | 6,841,836 | 1,022,627 |
| Transportation equipment manufacturing | 371 | 1,580 | 232,537,153 | 246,260,663 | 325,886,389 | 1,242,525 | 3,846,404 | 2,278,320 |
| Motor vehicle, vehicle body and trailer, and vehicle parts manufacturing | 277 | 1,188 | 193,052,963 | 203,649,297 | 290,607,365 | 874,686 | 1,304,649 | 1,908,792 |
| Other transportation equipment manufacturing | 118 | 392 | 39,484,191 | 42,611,366 | 35,279,024 | * 367,838 | 2,541,755 | 369,527 |

Footnotes at end of table.

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Industrial sector and selected industrial subsector of controlled foreign corporation [1] | Number of U.S. corporation returns [2] | Controlled foreign corporations | | | | | | |
|---|--|---------------------------------|----------------------|----------------------|----------------------|-------------------|---|-------------------|
| | | Number of foreign corporations | Total assets | | Total receipts | Dividend income | Current earnings and profits (less deficit) before income taxes | Income taxes |
| | | | Beginning of year | End of year | | | | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| Miscellaneous manufacturing | 996 | 3,417 | 230,305,907 | 266,260,609 | 199,851,317 | 24,621,994 | 30,660,888 | 3,230,839 |
| Medical equipment and supplies manufacturing | 293 | 955 | 96,328,628 | 118,226,429 | 94,187,181 | 23,093,357 | 21,214,181 | 987,872 |
| Other miscellaneous manufacturing | 735 | 2,463 | 133,977,280 | 148,034,180 | 105,664,136 | 1,528,637 | 9,446,707 | 2,242,967 |
| Other manufacturing | 376 | 1,017 | 28,441,846 | 28,125,096 | 34,278,313 | 34,676 | 1,874,873 | 395,613 |
| Distribution and transportation of goods | 3,470 | 17,437 | 1,222,607,882 | 1,321,903,932 | 1,491,407,995 | 13,556,384 | 116,412,890 | 17,108,702 |
| Wholesale and retail trade | 3,138 | 15,562 | 1,147,125,616 | 1,241,959,344 | 1,408,626,928 | 12,906,778 | 113,540,105 | 16,119,816 |
| Wholesale trade | 2,641 | 13,329 | 936,281,331 | 1,007,249,416 | 1,080,179,322 | 10,983,207 | 98,140,340 | 12,539,796 |
| Motor vehicle and motor vehicle parts and supplies merchant wholesalers | 114 | 372 | 24,435,644 | 25,011,078 | 42,353,032 | * 14,347 | 1,961,366 | 548,646 |
| Professional and commercial equipment and supplies merchant wholesalers | 136 | 540 | 18,762,112 | 18,607,625 | 28,715,757 | 106,602 | 2,557,312 | 453,070 |
| Household appliances and electrical and electronic goods merchant wholesalers | 432 | 1,691 | 56,746,519 | 56,581,946 | 99,695,764 | 366,268 | 3,300,751 | 766,403 |
| Machinery, equipment, and suppliers merchant wholesalers | 443 | 1,849 | 73,137,079 | 82,513,229 | 78,754,718 | 1,623,945 | 5,794,513 | 1,079,887 |
| Drugs and druggists' sundries merchant wholesalers | 92 | 751 | 345,731,195 | 382,449,961 | 149,325,286 | 5,829,461 | 48,841,069 | 2,619,362 |
| Grocery and related products merchant wholesalers | 84 | 390 | 19,347,912 | 22,658,253 | 29,127,403 | * 44,524 | 1,435,618 | 337,545 |
| Farm product raw materials merchant wholesalers | 50 | 244 | 31,051,215 | 29,346,994 | 79,197,988 | * 8,840 | 1,350,800 | 328,092 |
| Chemical and allied products merchant wholesalers | 155 | 832 | 35,961,871 | 39,173,344 | 55,880,376 | 443,688 | 2,326,674 | 527,079 |
| Petroleum and petroleum products merchant wholesalers | 57 | 232 | 27,084,829 | 22,616,018 | 135,378,319 | 199,490 | 1,496,703 | 235,150 |
| Tobacco and tobacco products merchant wholesalers | 6 | 109 | 14,266,872 | 13,753,200 | 40,821,091 | * 453,819 | 2,106,040 | 634,678 |
| Wholesale trade agents and brokers | 148 | 270 | 4,775,850 | 5,094,966 | 5,509,416 | * 11,250 | 795,190 | 49,503 |
| Other wholesale trade | 1,318 | 6,050 | 284,980,232 | 309,442,801 | 335,420,169 | 1,880,973 | 26,174,302 | 4,960,382 |
| Retail trade | 681 | 2,233 | 210,844,285 | 234,709,928 | 328,447,606 | 1,923,571 | 15,399,765 | 3,580,020 |
| Nonstore retailers | 266 | 1,006 | 80,854,454 | 97,486,152 | 91,303,978 | 15,113 | 5,530,589 | 924,920 |
| Other retailers | 433 | 1,227 | 129,989,831 | 137,223,776 | 237,143,628 | 1,908,458 | 9,869,176 | 2,655,100 |
| Transportation and warehousing | 443 | 1,874 | 75,482,266 | 79,944,588 | 82,781,067 | 649,606 | 2,872,786 | 988,886 |
| Support activities for transportation | 222 | 909 | 25,206,377 | 32,743,329 | 34,278,999 | 547,591 | 1,777,396 | 401,899 |
| Warehousing and storage | 108 | 292 | 12,261,965 | 10,469,802 | 7,205,109 | * 6,024 | 398,885 | 128,138 |
| Other transportation and warehousing | 187 | 674 | 38,013,925 | 36,731,457 | 41,296,960 | 95,990 | 696,505 | 458,849 |
| Information | 1,030 | 5,215 | 480,946,233 | 489,358,279 | 199,484,745 | 3,146,610 | 19,700,005 | 2,684,695 |
| Publishing industries (except internet) | 304 | 1,251 | 112,780,512 | 97,277,781 | 56,143,805 | 240,942 | 6,143,148 | 679,996 |
| Periodical publishers | 30 | 202 | 5,504,672 | 5,105,158 | 3,362,380 | * 18,833 | 292,498 | 92,324 |
| Other publishing industries (except internet) | 287 | 1,049 | 107,275,840 | 92,172,624 | 52,781,426 | 222,109 | 5,850,651 | 587,672 |
| Motion picture and sound recording industries | 55 | 808 | 43,746,757 | 37,001,817 | 20,411,179 | 726,140 | -2,235,348 | 376,941 |
| Motion picture and video industries | 41 | 490 | 16,337,262 | 15,378,204 | 12,956,015 | 58,419 | 1,107,624 | 300,636 |
| Sound recording industries | 21 | 318 | 27,409,495 | 21,623,613 | 7,455,164 | 667,721 | -3,342,972 | 76,305 |
| Broadcasting (except internet) | 28 | 271 | 13,980,767 | 13,430,963 | 7,073,290 | 1,663,970 | 560,655 | 172,747 |
| Telecommunications | 274 | 1,150 | 234,168,690 | 251,372,427 | 55,437,895 | 328,081 | 3,245,171 | 576,556 |
| Data processing, hosting, and related services | 181 | 542 | 10,132,454 | 11,422,214 | 8,478,153 | 27,604 | 584,214 | 258,171 |
| Other information services | 313 | 1,192 | 66,137,053 | 78,853,076 | 51,940,422 | 159,873 | 11,402,165 | 620,284 |
| Finance, insurance, real estate, and rental and leasing | 1,864 | 9,797 | 5,808,202,813 | 6,313,205,638 | 560,179,060 | 23,540,623 | 107,574,263 | 17,440,181 |
| Finance and insurance | 1,369 | 7,146 | 5,638,297,773 | 6,143,938,216 | 521,071,419 | 22,092,939 | 102,808,509 | 16,450,066 |
| Credit intermediation and related activities | 280 | 1,189 | 1,087,952,075 | 1,126,781,346 | 107,753,382 | 3,679,545 | 16,359,349 | 3,628,048 |
| Depository credit intermediation | 40 | 126 | 511,333,923 | 542,784,814 | 30,505,934 | 77,283 | 5,760,774 | 1,678,946 |
| Nondepository credit intermediation | 197 | 771 | 488,691,822 | 487,998,282 | 63,949,181 | 2,937,146 | 8,723,883 | 1,676,048 |
| Activities related to credit intermediation | 79 | 291 | 87,926,330 | 95,998,250 | 13,298,267 | 665,116 | 1,874,692 | 273,053 |

Footnotes at end of table.

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Industrial sector and selected industrial subsector of controlled foreign corporation [1] | Number of U.S. corporation returns [2] | Controlled foreign corporations | | | | | | |
|---|--|---------------------------------|----------------------|----------------------|----------------------|--------------------|---|-------------------|
| | | Number of foreign corporations | Total assets | | Total receipts | Dividend income | Current earnings and profits (less deficit) before income taxes | Income taxes |
| | | | Beginning of year | End of year | | | | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| Securities, commodity contracts, and other financial investments and related activities | 730 | 3,235 | 3,343,947,818 | 3,668,927,794 | 231,104,127 | 15,000,434 | 66,731,775 | 9,133,223 |
| Investment banking and securities dealing | 40 | 200 | 1,699,786,847 | 1,602,922,722 | 49,639,443 | 697,365 | 10,630,955 | 1,392,916 |
| Securities brokerage | 41 | 147 | 130,397,694 | 475,358,391 | 8,805,932 | 111,364 | 10,383,490 | 2,201,398 |
| Other securities, commodity contracts, and other financial investments and related activities | 696 | 2,888 | 1,513,763,277 | 1,590,646,681 | 172,658,751 | 14,191,705 | 45,717,330 | 5,538,909 |
| Insurance carriers and related activities | 419 | 1,963 | 584,460,766 | 751,000,417 | 143,741,486 | 1,252,122 | 13,956,692 | 3,147,426 |
| Insurance carriers | 175 | 480 | 412,980,904 | 538,911,626 | 101,488,433 | 626,515 | 5,416,806 | 1,495,943 |
| Agencies, brokerages, and other insurance related activities | 306 | 1,483 | 171,479,862 | 212,088,791 | 42,253,054 | 625,607 | 8,539,886 | 1,651,483 |
| Funds, trusts, and other financial vehicles | 232 | 759 | 621,937,115 | 597,228,659 | 38,472,424 | 2,160,838 | 5,760,693 | 541,369 |
| Real estate and rental and leasing | 687 | 2,651 | 169,905,040 | 169,267,421 | 39,107,641 | 1,447,683 | 4,765,754 | 990,115 |
| Real estate | 494 | 1,895 | 73,277,049 | 75,337,774 | 15,852,290 | 693,287 | 2,717,435 | 577,521 |
| Other real estate and rental and leasing | 233 | 757 | 96,627,991 | 93,929,647 | 23,255,352 | 754,396 | 2,048,319 | 412,594 |
| Services | 6,824 | 31,649 | 6,642,734,688 | 7,143,977,619 | 1,824,463,288 | 284,431,951 | 365,327,347 | 39,729,997 |
| Professional, scientific, and technical services | 4,628 | 18,106 | 774,853,579 | 907,837,167 | 434,515,115 | 16,504,913 | 60,099,356 | 9,348,319 |
| Architectural, engineering, and related services | 433 | 1,355 | 25,271,232 | 30,436,138 | 27,029,401 | 49,735 | 1,961,828 | 409,444 |
| Computer system design and related services | 1,647 | 5,694 | 473,278,283 | 554,577,783 | 228,363,253 | 14,587,476 | 40,470,056 | 4,766,943 |
| Computer system design services | 333 | 705 | 14,863,304 | 16,498,695 | 13,882,401 | 65,091 | 1,946,997 | 299,744 |
| Other computer system design and related services | 1,393 | 4,989 | 458,414,979 | 538,079,088 | 214,480,852 | 14,522,386 | 38,523,059 | 4,467,199 |
| Management, scientific, and technical consulting services | 830 | 1,798 | 27,753,132 | 34,213,584 | 19,757,960 | 530,086 | 800,436 | 426,739 |
| Scientific research and development services | 615 | 1,293 | 18,820,387 | 26,278,715 | 16,016,687 | * 20,357 | 623,597 | 286,496 |
| Advertising, public relations, and related services | 325 | 2,715 | 44,379,891 | 47,406,022 | 28,085,906 | 735,380 | 3,178,505 | 867,197 |
| Other professional, scientific, and technical services | 1,581 | 5,251 | 185,350,654 | 214,924,924 | 115,261,908 | 581,879 | 13,064,935 | 2,591,500 |
| Management of companies and enterprises | 2,290 | 8,271 | 5,656,382,272 | 6,004,412,758 | 1,249,214,420 | 267,086,612 | 291,062,878 | 26,085,760 |
| Offices of bank holding companies | 38 | 77 | 187,697,680 | 148,427,308 | 10,404,825 | * 828,243 | 2,737,394 | 50,861 |
| Offices of other holding companies | 2,279 | 8,194 | 5,468,684,592 | 5,855,985,450 | 1,238,809,595 | 266,258,370 | 288,325,484 | 26,034,899 |
| Administration and support and waste management and remediation services | 920 | 2,292 | 61,745,560 | 61,133,756 | 53,781,311 | 297,208 | 3,193,991 | 856,925 |
| Arts, entertainment, and recreation | 137 | 508 | 12,016,923 | 13,790,761 | 6,929,451 | 40,377 | 238,759 | 84,999 |
| Accommodation and food services | 78 | 671 | 84,307,668 | 91,630,898 | 48,169,562 | 335,731 | 8,024,471 | 2,720,794 |
| Accommodation | 42 | 339 | 47,326,808 | 55,004,571 | 14,538,784 | * 38,559 | 3,978,730 | 1,673,931 |
| Food services and drinking places | 39 | 332 | 36,980,860 | 36,626,327 | 33,630,778 | * 297,172 | 4,045,741 | 1,046,863 |
| Repair and maintenance | 152 | 527 | 23,186,816 | 23,860,654 | 14,494,219 | 87,238 | 1,428,158 | 290,783 |
| Other services (except public administration) | 306 | 1,274 | 30,241,870 | 41,311,626 | 17,359,209 | 79,871 | 1,279,734 | 342,418 |

Footnotes at end of table.

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Industrial sector and selected industrial subsector of controlled foreign corporation [1] | Controlled foreign corporations—continued | | | | | | | |
|--|--|--|--------------------|---|---|---|---------------------------------------|--|
| | Current earnings and profits (less deficit) after income taxes | Foreign corporations with current earnings and profits (+) before income taxes | | | Distributions out of earnings and profits | | | Dividends paid to controlling U.S. corporation |
| | | Current earnings and profits before income taxes | Income taxes | Current earnings and profits after income taxes | Total | Not previously taxed earnings and profits | Previously taxed earnings and profits | |
| | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) |
| All industries | 793,311,339 | 1,052,881,217 | 127,431,344 | 925,449,873 | 475,832,007 | 349,549,972 | 126,282,035 | 93,482,519 |
| Raw materials and energy production | 47,346,562 | 84,546,127 | 25,415,293 | 59,130,835 | 32,612,311 | 31,319,018 | 1,293,293 | 14,464,081 |
| Agriculture, forestry, fishing, and hunting | 1,292,713 | 1,992,353 | 355,385 | 1,636,968 | 386,034 | 338,944 | 47,090 | 138,922 |
| Mining, quarrying, and oil and gas extraction | 41,822,253 | 76,874,213 | 24,123,388 | 52,750,825 | 28,667,325 | 27,600,383 | 1,066,942 | 14,214,776 |
| Oil and gas extraction | 36,306,789 | 65,744,584 | 21,697,183 | 44,047,401 | 25,994,538 | 25,023,089 | 971,449 | 13,754,813 |
| Other mining, quarrying, and oil and gas extraction | 5,515,464 | 11,129,629 | 2,426,204 | 8,703,424 | 2,672,786 | 2,577,294 | 95,493 | 459,963 |
| Utilities | 4,231,595 | 5,679,562 | 936,520 | 4,743,042 | 3,558,952 | 3,379,691 | 179,261 | 110,383 |
| Goods production | 213,925,005 | 273,052,773 | 27,606,080 | 245,446,694 | 98,302,505 | 80,445,306 | 17,857,199 | 17,882,969 |
| Construction | 2,336,170 | 3,461,146 | 725,433 | 2,735,713 | 1,313,974 | 1,036,663 | 277,311 | 177,434 |
| Manufacturing | 211,588,835 | 269,591,628 | 26,880,646 | 242,710,981 | 96,988,531 | 79,408,644 | 17,579,888 | 17,705,535 |
| Food manufacturing | 6,374,997 | 9,744,394 | 2,040,995 | 7,703,400 | 4,988,502 | 4,352,752 | 635,750 | 1,025,470 |
| Grain and oilseed milling | 957,341 | 1,493,296 | 385,243 | 1,108,053 | 403,863 | 346,212 | 57,651 | 167,288 |
| Other food manufacturing | 5,417,656 | 8,251,098 | 1,655,752 | 6,595,347 | 4,584,638 | 4,006,540 | 578,099 | 858,181 |
| Beverage and tobacco product manufacturing | 20,009,856 | 25,835,579 | 4,196,906 | 21,638,673 | 15,801,543 | 11,004,287 | 4,797,256 | 2,887,273 |
| Beverage manufacturing | 10,692,458 | 14,159,318 | 1,953,273 | 12,206,045 | 8,758,757 | 7,638,218 | 1,120,539 | 1,794,488 |
| Tobacco manufacturing | 9,317,397 | 11,676,261 | 2,243,633 | 9,432,628 | 7,042,785 | 3,366,069 | 3,676,717 | 1,092,785 |
| Paper manufacturing | 1,120,981 | 1,982,422 | 355,579 | 1,626,843 | 749,087 | 630,489 | 118,599 | 58,943 |
| Petroleum and coal products manufacturing | 4,705,502 | 5,893,203 | 979,899 | 4,913,305 | 2,578,016 | 1,637,990 | 940,026 | 1,096,939 |
| Chemical manufacturing | 36,072,059 | 46,344,341 | 6,072,430 | 40,271,911 | 25,963,625 | 22,070,821 | 3,892,803 | 3,966,744 |
| Basic chemical manufacturing | 2,586,753 | 4,379,796 | 1,056,936 | 3,322,860 | 1,662,551 | 1,359,996 | 302,555 | 188,531 |
| Pharmaceutical and medicine manufacturing | 22,910,572 | 27,545,056 | 2,437,161 | 25,107,895 | 18,134,743 | 15,462,065 | 2,672,678 | 923,312 |
| Paint, coating, and adhesive manufacturing | 937,058 | 1,345,618 | 210,597 | 1,135,022 | 630,261 | 554,019 | 76,242 | 366,126 |
| Soap, cleaning compound, and toilet preparation manufacturing | 1,842,090 | 2,516,169 | 607,739 | 1,908,430 | 1,121,991 | 1,086,033 | 35,958 | 825,372 |
| Other chemical manufacturing | 7,795,586 | 10,557,702 | 1,759,997 | 8,797,705 | 4,414,079 | 3,608,709 | 805,371 | 1,663,404 |
| Plastics and rubber products manufacturing | 2,559,050 | 3,787,161 | 481,183 | 3,305,978 | 865,369 | 721,307 | 144,063 | 242,274 |
| Nonmetallic mineral product manufacturing | 3,466,884 | 4,954,647 | 894,561 | 4,060,085 | 7,907,115 | 7,807,407 | 99,708 | 169,826 |
| Primary metal manufacturing | -1,125,587 | 1,034,202 | 213,165 | 821,037 | 756,205 | 399,867 | 356,339 | * 21,822 |
| Fabricated metal product manufacturing | 3,023,768 | 4,668,080 | 885,311 | 3,782,769 | 1,402,818 | 1,245,978 | 156,840 | 336,134 |
| Machinery manufacturing | 5,602,821 | 9,011,297 | 1,720,933 | 7,290,365 | 3,996,251 | 3,551,911 | 444,340 | 781,934 |
| Agriculture, construction, and mining machinery manufacturing | 1,420,774 | 2,688,233 | 587,821 | 2,100,412 | 306,713 | 249,176 | 57,538 | * 16,083 |
| Industrial machinery manufacturing | 972,795 | 1,423,484 | 278,173 | 1,145,311 | 1,485,983 | 1,383,397 | 102,586 | 73,538 |
| Ventilation, heating, air-conditioning, and commercial refrigeration equipment manufacturing | 983,581 | 1,425,199 | 294,218 | 1,130,981 | 481,788 | 452,745 | * 29,043 | 29,956 |
| Other machinery manufacturing | 2,225,670 | 3,474,382 | 560,720 | 2,913,661 | 1,721,767 | 1,466,594 | 255,173 | 662,357 |
| Computer and electronic product manufacturing | 93,481,901 | 100,040,040 | 2,368,991 | 97,671,049 | 15,660,128 | 12,443,682 | 3,216,446 | 3,401,657 |
| Computer and peripheral equipment manufacturing | 10,079,091 | 11,987,570 | 743,356 | 11,244,214 | 8,849,132 | 6,960,174 | 1,888,957 | 190,209 |
| Communications equipment manufacturing | 514,512 | 1,961,271 | 345,855 | 1,615,416 | 1,212,866 | 1,128,711 | 84,155 | 949,391 |
| Semiconductor and other electronic component manufacturing | 81,108,960 | 83,656,473 | 968,849 | 82,687,624 | 4,069,694 | 2,989,451 | 1,080,243 | 2,016,234 |
| Other computer and electronic manufacturing | 1,779,338 | 2,434,727 | 310,931 | 2,123,796 | 1,528,437 | 1,365,346 | 163,092 | 245,823 |
| Electric equipment, appliance, and component manufacturing | 5,819,210 | 8,013,801 | 973,622 | 7,040,179 | 3,992,197 | 3,206,803 | 785,394 | 632,220 |
| Transportation equipment manufacturing | 1,568,085 | 12,411,294 | 2,130,162 | 10,281,132 | 3,781,957 | 3,068,492 | 713,465 | 604,592 |
| Motor vehicle, vehicle body and trailer, and vehicle parts manufacturing | -604,143 | 9,651,369 | 1,756,485 | 7,894,883 | 3,342,933 | 2,665,287 | 677,646 | 551,074 |
| Other transportation equipment manufacturing | 2,172,228 | 2,759,925 | 373,676 | 2,386,249 | 439,025 | 403,205 | 35,819 | 53,518 |

Footnotes at end of table.

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Industrial sector and selected industrial subsector of controlled foreign corporation [1] | Controlled foreign corporations—continued | | | | | | | |
|---|--|--|-------------------|---|---|---|---------------------------------------|--|
| | Current earnings and profits (less deficit) after income taxes | Foreign corporations with current earnings and profits (+) before income taxes | | | Distributions out of earnings and profits | | | Dividends paid to controlling U.S. corporation |
| | | Current earnings and profits before income taxes | Income taxes | Current earnings and profits after income taxes | Total | Not previously taxed earnings and profits | Previously taxed earnings and profits | |
| | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) |
| Miscellaneous manufacturing | 27,430,049 | 33,318,000 | 3,185,674 | 30,132,326 | 7,837,688 | 6,644,389 | 1,193,299 | 2,105,553 |
| Medical equipment and supplies manufacturing | 20,226,310 | 22,119,678 | 972,294 | 21,147,384 | 3,437,876 | 2,578,619 | 859,257 | 690,731 |
| Other miscellaneous manufacturing | 7,203,740 | 11,198,322 | 2,213,380 | 8,984,942 | 4,399,812 | 4,065,769 | 334,042 | 1,414,823 |
| Other manufacturing | 1,479,260 | 2,553,167 | 381,237 | 2,171,930 | 708,030 | 622,470 | 85,560 | 374,154 |
| Distribution and transportation of goods | 99,304,188 | 128,732,802 | 16,695,283 | 112,037,519 | 50,530,734 | 22,322,883 | 28,207,851 | 6,958,184 |
| Wholesale and retail trade | 97,420,288 | 123,952,939 | 15,749,983 | 108,202,956 | 49,239,643 | 21,278,071 | 27,961,572 | 6,632,830 |
| Wholesale trade | 85,600,544 | 105,868,255 | 12,231,674 | 93,636,581 | 44,748,886 | 17,236,433 | 27,512,453 | 5,436,565 |
| Motor vehicle and motor vehicle parts and supplies merchant wholesalers | 1,412,720 | 2,354,743 | 497,853 | 1,856,890 | 898,748 | 847,336 | 51,412 | 146,771 |
| Professional and commercial equipment and supplies merchant wholesalers | 2,104,242 | 2,690,443 | 445,613 | 2,244,830 | 826,134 | 672,441 | 153,693 | 454,851 |
| Household appliances and electrical and electronic goods merchant wholesalers | 2,534,348 | 4,392,473 | 733,275 | 3,659,198 | 1,395,830 | 1,083,061 | 312,769 | 418,672 |
| Machinery, equipment, and suppliers merchant wholesalers | 4,714,626 | 6,469,977 | 1,040,129 | 5,429,847 | 570,794 | 432,997 | 137,797 | 130,875 |
| Drugs and druggists' sundries merchant wholesalers | 46,221,708 | 50,201,961 | 2,565,044 | 47,636,917 | 23,071,648 | 1,624,844 | 21,446,804 | 142,471 |
| Grocery and related products merchant wholesalers | 1,098,073 | 1,681,000 | 325,924 | 1,355,077 | 931,047 | 586,419 | 344,628 | 303,860 |
| Farm product raw materials merchant wholesalers | 1,022,708 | 1,450,162 | 322,613 | 1,127,549 | 1,051,060 | 34,798 | * 1,016,262 | * 6,492 |
| Chemical and allied products merchant wholesalers | 1,799,595 | 3,034,923 | 510,483 | 2,524,440 | 900,862 | 445,558 | 455,304 | 263,466 |
| Petroleum and petroleum products merchant wholesalers | 1,261,553 | 1,714,438 | 228,866 | 1,485,571 | 722,774 | 520,288 | 202,485 | 368,107 |
| Tobacco and tobacco products merchant wholesalers | 1,471,362 | 2,149,794 | 632,627 | 1,517,168 | 1,384,051 | 742,498 | * 641,553 | 55,562 |
| Wholesale trade agents and brokers | 745,687 | 820,529 | 47,023 | 773,505 | 334,807 | 151,008 | * 183,799 | * 18,282 |
| Other wholesale trade | 21,213,920 | 28,907,814 | 4,882,224 | 24,025,589 | 12,661,132 | 10,095,185 | 2,565,948 | 3,127,157 |
| Retail trade | 11,819,744 | 18,084,684 | 3,518,309 | 14,566,374 | 4,490,756 | 4,041,638 | 449,119 | 1,196,264 |
| Nonstore retailers | 4,605,669 | 6,718,116 | 895,630 | 5,822,486 | 1,224,065 | 1,074,810 | 149,255 | 394,612 |
| Other retailers | 7,214,075 | 11,366,568 | 2,622,679 | 8,743,889 | 3,266,691 | 2,966,827 | 299,864 | 801,653 |
| Transportation and warehousing | 1,883,900 | 4,779,863 | 945,300 | 3,834,563 | 1,291,091 | 1,044,813 | 246,278 | 325,354 |
| Support activities for transportation | 1,375,497 | 2,358,274 | 373,832 | 1,984,442 | 554,301 | 490,850 | 63,451 | 201,677 |
| Warehousing and storage | 270,747 | 517,059 | 113,492 | 403,567 | 150,388 | 142,565 | * 7,823 | * 10,390 |
| Other transportation and warehousing | 237,656 | 1,904,530 | 457,976 | 1,446,554 | 586,402 | 411,398 | 175,004 | 113,287 |
| Information | 17,015,310 | 31,786,847 | 2,548,802 | 29,238,045 | 5,403,807 | 3,593,216 | 1,810,591 | 1,420,744 |
| Publishing industries (except internet) | 5,463,153 | 8,205,315 | 661,103 | 7,544,212 | 512,521 | 394,687 | 117,833 | 271,119 |
| Periodical publishers | 200,174 | 359,970 | 84,322 | 275,647 | 129,088 | 124,941 | * 4,148 | 66,843 |
| Other publishing industries (except internet) | 5,262,979 | 7,845,346 | 576,781 | 7,268,565 | 383,432 | 269,747 | 113,686 | 204,276 |
| Motion picture and sound recording industries | -2,612,289 | 3,323,351 | 398,242 | 2,925,110 | 541,637 | 482,983 | 58,654 | 263,530 |
| Motion picture and video industries | 806,988 | 1,512,061 | 330,467 | 1,181,595 | 434,701 | 389,371 | 45,331 | 263,530 |
| Sound recording industries | -3,419,277 | 1,811,290 | 67,775 | 1,743,515 | 106,936 | 93,612 | * 13,323 | 0 |
| Broadcasting (except internet) | 387,907 | 892,231 | 156,904 | 735,327 | 143,124 | 120,699 | * 22,425 | 32,857 |
| Telecommunications | 2,668,614 | 6,425,229 | 506,870 | 5,918,359 | 1,830,089 | 1,538,250 | 291,839 | 440,618 |
| Data processing, hosting, and related services | 326,043 | 896,051 | 237,244 | 658,807 | 443,531 | 343,580 | 99,951 | 268,347 |
| Other information services | 10,781,881 | 12,044,670 | 588,439 | 11,456,231 | 1,932,905 | 713,017 | 1,219,888 | 144,274 |
| Finance, insurance, real estate, and rental and leasing | 90,134,082 | 133,249,519 | 16,508,520 | 116,740,999 | 60,181,301 | 44,644,940 | 15,536,361 | 9,780,099 |
| Finance and insurance | 86,358,443 | 126,697,744 | 15,639,045 | 111,058,700 | 57,707,436 | 42,365,572 | 15,341,864 | 9,422,709 |
| Credit intermediation and related activities | 12,731,301 | 22,040,890 | 3,478,687 | 18,562,203 | 13,266,089 | 11,706,948 | 1,559,141 | 2,465,507 |
| Depository credit intermediation | 4,081,828 | 7,398,466 | 1,604,703 | 5,793,763 | 4,440,193 | 4,415,399 | 24,795 | 459,148 |
| Nondepository credit intermediation | 7,047,835 | 12,472,576 | 1,615,116 | 10,857,460 | 8,355,250 | 6,928,642 | 1,426,608 | 1,794,847 |
| Activities related to credit intermediation | 1,601,638 | 2,169,848 | 258,868 | 1,910,980 | 470,646 | 362,907 | 107,739 | 211,511 |

Footnotes at end of table.

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Industrial sector and selected industrial subsector of controlled foreign corporation [1] | Controlled foreign corporations—continued | | | | | | | |
|---|--|--|-------------------|---|---|---|---------------------------------------|--|
| | Current earnings and profits (less deficit) after income taxes | Foreign corporations with current earnings and profits (+) before income taxes | | | Distributions out of earnings and profits | | | Dividends paid to controlling U.S. corporation |
| | | Current earnings and profits before income taxes | Income taxes | Current earnings and profits after income taxes | Total | Not previously taxed earnings and profits | Previously taxed earnings and profits | |
| | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) |
| Securities, commodity contracts, and other financial investments and related activities | 57,598,552 | 75,052,223 | 8,911,977 | 66,140,247 | 30,240,641 | 21,450,814 | 8,789,828 | 4,700,942 |
| Investment banking and securities dealing | 9,238,039 | 11,260,731 | 1,375,689 | 9,885,042 | 2,798,683 | 1,979,861 | 818,822 | * 184,491 |
| Securities brokerage | 8,182,092 | 10,830,946 | 2,139,462 | 8,691,484 | 4,104,825 | 2,777,629 | 1,327,196 | * 111,487 |
| Other securities, commodity contracts, and other financial investments and related activities | 40,178,421 | 52,960,546 | 5,396,825 | 47,563,721 | 23,337,134 | 16,693,324 | 6,643,810 | 4,404,964 |
| Insurance carriers and related activities | 10,809,265 | 18,302,778 | 2,743,617 | 15,559,161 | 7,709,302 | 5,764,554 | 1,944,748 | 1,397,336 |
| Insurance carriers | 3,920,863 | 8,858,532 | 1,175,273 | 7,683,260 | 3,435,598 | 2,475,873 | 959,725 | 504,071 |
| Agencies, brokerages, and other insurance related activities | 6,888,402 | 9,444,245 | 1,568,344 | 7,875,901 | 4,273,704 | 3,288,681 | 985,023 | 893,265 |
| Funds, trusts, and other financial vehicles | 5,219,324 | 11,301,853 | 504,764 | 10,797,089 | 6,491,404 | 3,443,256 | 3,048,147 | 858,925 |
| Real estate and rental and leasing | 3,775,638 | 6,551,774 | 869,475 | 5,682,299 | 2,473,864 | 2,279,368 | 194,496 | 357,389 |
| Real estate | 2,139,914 | 3,774,265 | 513,434 | 3,260,830 | 1,887,880 | 1,754,307 | 133,573 | 252,802 |
| Other real estate and rental and leasing | 1,635,725 | 2,777,510 | 356,041 | 2,421,469 | 585,984 | 525,061 | 60,923 | 104,588 |
| Services | 325,597,349 | 401,511,497 | 38,657,115 | 362,854,382 | 228,801,071 | 167,224,607 | 61,576,464 | 42,976,442 |
| Professional, scientific, and technical services | 50,751,038 | 69,861,959 | 8,870,172 | 60,991,787 | 28,246,800 | 21,260,113 | 6,986,688 | 3,992,289 |
| Architectural, engineering, and related services | 1,552,385 | 2,504,330 | 371,909 | 2,132,421 | 560,736 | 517,967 | 42,769 | 117,304 |
| Computer system design and related services | 35,703,113 | 43,429,712 | 4,649,394 | 38,780,317 | 11,134,339 | 6,166,715 | 4,967,624 | 2,091,743 |
| Computer system design services | 1,647,253 | 2,214,693 | 282,951 | 1,931,742 | 93,621 | 76,212 | * 17,409 | 26,241 |
| Other computer system design and related services | 34,055,859 | 41,215,019 | 4,366,443 | 36,848,575 | 11,040,718 | 6,090,502 | 4,950,216 | 2,065,502 |
| Management, scientific, and technical consulting services | 373,697 | 1,780,750 | 365,970 | 1,414,780 | 586,599 | 525,594 | 61,004 | 246,151 |
| Scientific research and development services | 337,101 | 1,902,556 | 274,938 | 1,627,618 | 146,636 | 104,097 | 42,539 | 44,475 |
| Advertising, public relations, and related services | 2,311,308 | 4,653,855 | 834,455 | 3,819,400 | 2,114,338 | 1,930,877 | 183,461 | 215,662 |
| Other professional, scientific, and technical services | 10,473,435 | 15,590,756 | 2,373,505 | 13,217,251 | 13,704,152 | 12,014,863 | 1,689,290 | 1,276,955 |
| Management of companies and enterprises | 264,977,118 | 314,794,792 | 25,566,447 | 289,228,344 | 192,149,245 | 138,047,949 | 54,101,296 | 37,951,801 |
| Offices of bank holding companies | 2,686,532 | 3,542,737 | 50,054 | 3,492,684 | 8,411,792 | 6,888,398 | 1,523,394 | * 596,673 |
| Offices of other holding companies | 262,290,585 | 311,252,054 | 25,516,394 | 285,735,661 | 183,737,452 | 131,159,550 | 52,577,902 | 37,355,127 |
| Administration and support and waste management and remediation services | 2,337,066 | 4,062,712 | 825,412 | 3,237,300 | 1,442,584 | 1,309,124 | 133,460 | 236,203 |
| Arts, entertainment, and recreation | 153,760 | 602,374 | 76,583 | 525,791 | 153,447 | 142,125 | * 11,322 | 37,737 |
| Accommodation and food services | 5,303,677 | 8,352,952 | 2,703,038 | 5,649,914 | 5,780,839 | 5,608,731 | 172,107 | 546,388 |
| Accommodation | 2,304,799 | 4,145,843 | 1,667,845 | 2,477,998 | 1,739,057 | 1,723,636 | 15,421 | 22,423 |
| Food services and drinking places | 2,998,878 | 4,207,109 | 1,035,193 | 3,171,916 | 4,041,781 | 3,885,095 | 156,686 | 523,965 |
| Repair and maintenance | 1,137,375 | 1,733,967 | 283,358 | 1,450,609 | 675,910 | 563,333 | 112,577 | 93,355 |
| Other services (except public administration) | 937,316 | 2,102,742 | 332,106 | 1,770,636 | 352,246 | 293,232 | 59,014 | 118,669 |

Footnotes at end of table.

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Industrial sector and selected industrial subsector of controlled foreign corporation [1] | Controlled foreign corporations—continued | | | | | | | |
|--|---|--|--|--|---------------------------------------|----------------------------|---|----------------------|
| | Total Subpart F income | End of year accumulated earnings and profits (E&P) | | | Receipts by foreign corporations from | | | |
| | | Total section 964(a) E&P | Total not previously taxed E&P (post-86 & pre-87 section 959(c)(3) balances) | Total previously taxed E&P (sections 959(c)(1) & (2) balances) | All sources | All related parties, total | Any foreign corporations controlled by U.S. corporation filing return | Unrelated parties |
| | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) |
| All industries | 63,108,740 | 2,514,520,364 | 2,259,189,816 | 255,330,548 | 6,857,571,434 | 1,932,789,962 | 1,242,619,338 | 5,048,966,954 |
| Raw materials and energy production | 1,826,508 | 158,148,944 | 150,403,505 | 7,745,439 | 330,873,691 | 116,337,557 | 58,422,228 | 215,172,114 |
| Agriculture, forestry, fishing, and hunting | 88,220 | 3,534,603 | 3,127,830 | 406,773 | 23,118,184 | 7,106,704 | 5,270,071 | 16,096,118 |
| Mining, quarrying, and oil and gas extraction | 1,617,205 | 144,690,192 | 137,706,124 | 6,984,068 | 273,311,080 | 104,705,345 | 49,413,350 | 169,091,758 |
| Oil and gas extraction | 1,367,430 | 120,611,774 | 114,049,487 | 6,562,287 | 220,786,442 | 92,959,905 | 41,902,721 | 128,148,551 |
| Other mining, quarrying, and oil and gas extraction | 249,776 | 24,078,418 | 23,656,637 | 421,781 | 52,524,638 | 11,745,440 | 7,510,630 | 40,943,207 |
| Utilities | 121,083 | 9,924,149 | 9,569,551 | 354,598 | 34,444,427 | 4,525,507 | 3,738,807 | 29,984,238 |
| Goods production | 16,030,589 | 694,163,950 | 650,317,654 | 43,846,296 | 2,451,151,561 | 681,026,981 | 417,030,706 | 1,779,451,879 |
| Construction | 226,006 | 6,691,488 | 6,332,024 | 359,464 | 31,261,114 | 3,693,693 | 3,208,712 | 27,707,982 |
| Manufacturing | 15,804,583 | 687,472,462 | 643,985,630 | 43,486,833 | 2,419,890,447 | 677,333,288 | 413,821,993 | 1,751,743,898 |
| Food manufacturing | 1,503,455 | 26,861,608 | 21,844,943 | 5,016,665 | 180,562,600 | 28,149,125 | 22,622,278 | 154,065,530 |
| Grain and oilseed milling | 311,918 | 5,583,789 | 4,153,975 | 1,429,814 | 33,597,124 | 7,857,713 | 6,773,147 | 26,144,083 |
| Other food manufacturing | 1,191,537 | 21,277,818 | 17,690,967 | 3,586,851 | 146,965,475 | 20,291,412 | 15,849,131 | 127,921,447 |
| Beverage and tobacco product manufacturing | 3,546,367 | 75,045,301 | 72,079,591 | 2,965,710 | 153,039,795 | 49,319,291 | 45,247,327 | 104,221,629 |
| Beverage manufacturing | 580,985 | 53,444,586 | 52,568,681 | 875,905 | 86,140,589 | 16,567,260 | 13,697,079 | 69,860,510 |
| Tobacco manufacturing | 2,965,382 | 21,600,715 | 19,510,910 | 2,089,805 | 66,899,206 | 32,752,031 | 31,550,248 | 34,361,119 |
| Paper manufacturing | 35,962 | 362,473 | 95,262 | 267,212 | 35,394,800 | 13,181,666 | 10,032,516 | 23,776,793 |
| Petroleum and coal products manufacturing | 488,602 | 25,606,027 | 24,364,797 | 1,241,230 | 295,440,983 | 56,367,372 | 38,925,263 | 239,078,317 |
| Chemical manufacturing | 2,317,463 | 156,738,336 | 150,026,581 | 6,711,755 | 358,120,354 | 116,758,959 | 73,839,500 | 242,436,706 |
| Basic chemical manufacturing | 191,500 | 12,094,617 | 11,437,466 | 657,150 | 43,220,393 | 9,282,382 | 7,245,593 | 34,308,590 |
| Pharmaceutical and medicine manufacturing | 1,453,260 | 111,274,842 | 107,558,778 | 3,716,064 | 192,211,842 | 75,906,163 | 42,133,198 | 116,464,829 |
| Paint, coating, and adhesive manufacturing | 38,888 | 3,350,779 | 3,245,039 | 105,740 | 17,087,777 | 4,795,170 | 4,079,334 | 12,314,559 |
| Soap, cleaning compound, and toilet preparation manufacturing | 146,616 | 5,118,650 | 4,886,983 | 231,667 | 23,017,929 | 5,138,379 | 4,702,216 | 18,262,729 |
| Other chemical manufacturing | 487,198 | 24,899,448 | 22,898,315 | 2,001,134 | 82,582,413 | 21,636,864 | 15,679,159 | 61,086,000 |
| Plastics and rubber products manufacturing | 270,948 | 12,729,460 | 11,469,168 | 1,260,291 | 51,789,164 | 20,748,425 | 13,062,273 | 31,413,770 |
| Nonmetallic mineral product manufacturing | 109,235 | 9,876,837 | 9,066,651 | 810,186 | 28,071,061 | 6,413,948 | 4,561,590 | 21,714,777 |
| Primary metal manufacturing | 86,314 | 2,145,890 | 1,408,317 | 737,573 | 36,281,592 | 8,172,631 | 3,708,315 | 28,170,082 |
| Fabricated metal product manufacturing | 126,791 | 13,497,418 | 11,173,983 | 2,323,435 | 54,319,217 | 14,349,140 | 10,470,791 | 40,291,571 |
| Machinery manufacturing | 498,328 | 26,359,224 | 24,740,182 | 1,619,042 | 105,078,951 | 38,398,439 | 26,586,245 | 66,793,903 |
| Agriculture, construction, and mining machinery manufacturing | 95,645 | 7,402,116 | 7,135,836 | 266,279 | 38,834,009 | 20,078,232 | 14,015,241 | 18,813,833 |
| Industrial machinery manufacturing | 72,042 | 3,694,702 | 3,439,803 | 254,898 | 14,121,784 | 3,458,248 | 2,133,870 | 10,690,531 |
| Ventilation, heating, air-conditioning, and commercial refrigeration equipment manufacturing | 38,815 | 2,660,001 | 2,424,571 | 235,430 | 17,846,038 | 3,933,596 | 2,824,395 | 13,922,885 |
| Other machinery manufacturing | 291,826 | 12,602,406 | 11,739,971 | 862,435 | 34,277,120 | 10,928,362 | 7,612,739 | 23,366,654 |
| Computer and electronic product manufacturing | 4,043,070 | 213,910,182 | 207,473,434 | 6,436,748 | 482,403,250 | 115,735,519 | 40,535,928 | 367,854,144 |
| Computer and peripheral equipment manufacturing | 1,601,496 | 58,090,073 | 57,080,451 | 1,009,622 | 107,146,422 | 37,212,444 | 7,769,493 | 70,342,860 |
| Communications equipment manufacturing | 337,909 | 3,450,276 | 1,971,225 | 1,479,052 | 30,701,304 | 13,780,745 | 4,659,732 | 17,042,848 |
| Semiconductor and other electronic component manufacturing | 1,989,818 | 144,960,916 | 141,331,527 | 3,629,389 | 314,148,645 | 52,370,360 | 18,976,140 | 262,407,117 |
| Other computer and electronic manufacturing | 113,847 | 7,408,916 | 7,090,231 | 318,685 | 30,406,878 | 12,371,969 | 9,130,564 | 18,061,319 |
| Electric equipment, appliance, and component manufacturing | 590,310 | 22,930,275 | 21,580,707 | 1,349,568 | 79,372,664 | 33,417,006 | 19,103,483 | 47,147,606 |
| Transportation equipment manufacturing | 707,256 | 27,443,861 | 19,717,426 | 7,726,434 | 325,886,389 | 74,460,638 | 36,926,529 | 251,876,670 |
| Motor vehicle, vehicle body and trailer, and vehicle parts manufacturing | 566,267 | 11,889,443 | 4,737,767 | 7,151,676 | 290,607,365 | 62,768,071 | 32,070,452 | 228,181,163 |
| Other transportation equipment manufacturing | 140,989 | 15,554,418 | 14,979,660 | 574,759 | 35,279,024 | 11,692,567 | 4,856,078 | 23,695,507 |

Footnotes at end of table.

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Industrial sector and selected industrial subsector of controlled foreign corporation [1] | Controlled foreign corporations—continued | | | | | | | |
|---|---|--|--|--|---------------------------------------|----------------------------|---|----------------------|
| | Total Subpart F income | End of year accumulated earnings and profits (E&P) | | | Receipts by foreign corporations from | | | |
| | | Total section 964(a) E&P | Total not previously taxed E&P (post-86 & pre-87 section 959(c)(3) balances) | Total previously taxed E&P (sections 959(c)(1) & (2) balances) | All sources | All related parties, total | Any foreign corporations controlled by U.S. corporation filing return | Unrelated parties |
| | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) |
| Miscellaneous manufacturing | 1,406,703 | 68,833,373 | 64,276,724 | 4,556,649 | 199,851,317 | 87,146,867 | 62,764,677 | 113,258,519 |
| Medical equipment and supplies manufacturing | 590,951 | 42,777,764 | 41,034,247 | 1,743,516 | 94,187,181 | 49,982,513 | 35,323,317 | 44,358,966 |
| Other miscellaneous manufacturing | 815,752 | 26,055,609 | 23,242,476 | 2,813,133 | 105,664,136 | 37,164,354 | 27,441,360 | 68,899,553 |
| Other manufacturing | 73,780 | 5,132,197 | 4,667,865 | 464,332 | 34,278,313 | 14,714,263 | 5,435,278 | 19,643,880 |
| Distribution and transportation of goods | 8,374,289 | 359,472,871 | 332,105,036 | 27,367,835 | 1,491,407,995 | 383,574,152 | 263,800,691 | 1,126,894,001 |
| Wholesale and retail trade | 7,945,094 | 348,048,139 | 322,918,892 | 25,129,247 | 1,408,626,928 | 359,702,411 | 248,458,210 | 1,067,888,893 |
| Wholesale trade | 7,437,767 | 300,940,544 | 279,505,694 | 21,434,850 | 1,080,179,322 | 304,832,114 | 221,602,302 | 794,140,601 |
| Motor vehicle and motor vehicle parts and supplies merchant wholesalers | 75,331 | 6,357,508 | 5,892,657 | 464,851 | 42,353,032 | 3,764,838 | 3,262,320 | 38,674,270 |
| Professional and commercial equipment and supplies merchant wholesalers | 96,493 | 15,436,504 | 14,805,400 | 631,104 | 28,715,757 | 5,303,357 | 3,802,372 | 23,464,268 |
| Household appliances and electrical and electronic goods merchant wholesalers | 265,937 | 10,695,984 | 9,597,963 | 1,098,020 | 99,695,764 | 22,430,432 | 15,457,618 | 78,345,215 |
| Machinery, equipment, and suppliers merchant wholesalers | 879,803 | 24,420,044 | 20,969,774 | 3,450,270 | 78,754,718 | 15,015,867 | 10,229,890 | 64,061,924 |
| Drugs and druggists' sundries merchant wholesalers | 1,998,618 | 122,535,884 | 118,367,760 | 4,168,123 | 149,325,286 | 95,767,237 | 81,842,479 | 69,245,783 |
| Grocery and related products merchant wholesalers | 274,001 | 5,236,214 | 4,766,441 | 469,772 | 29,127,403 | 5,593,524 | 4,094,585 | 23,856,975 |
| Farm product raw materials merchant wholesalers | 322,216 | 7,313,441 | 6,383,140 | 930,301 | 79,197,988 | 26,427,571 | 16,873,473 | 52,831,665 |
| Chemical and allied products merchant wholesalers | 285,075 | 6,909,282 | 6,110,170 | 799,112 | 55,880,376 | 8,318,839 | 6,091,557 | 47,653,043 |
| Petroleum and petroleum products merchant wholesalers | 162,298 | 7,674,078 | 7,010,672 | 663,406 | 135,378,319 | 49,025,350 | 25,434,847 | 86,360,084 |
| Tobacco and tobacco products merchant wholesalers | 402,518 | 1,636,495 | 1,190,252 | 446,243 | 40,821,091 | 2,709,979 | 2,383,861 | 38,113,249 |
| Wholesale trade agents and brokers | 195,251 | 4,000,629 | 3,260,043 | 740,586 | 5,509,416 | 3,022,689 | 2,323,197 | 2,578,299 |
| Other wholesale trade | 2,480,224 | 88,724,482 | 81,151,422 | 7,573,060 | 335,420,169 | 67,452,430 | 49,806,102 | 268,955,826 |
| Retail trade | 507,327 | 47,107,595 | 43,413,198 | 3,694,397 | 328,447,606 | 54,870,297 | 26,855,909 | 273,748,292 |
| Nonstore retailers | 228,718 | 17,548,783 | 16,308,389 | 1,240,394 | 91,303,978 | 35,488,779 | 16,106,834 | 55,876,045 |
| Other retailers | 278,609 | 29,558,812 | 27,104,809 | 2,454,003 | 237,143,628 | 19,381,519 | 10,749,074 | 217,872,247 |
| Transportation and warehousing | 429,195 | 11,424,732 | 9,186,143 | 2,238,588 | 82,781,067 | 23,871,741 | 15,342,481 | 59,005,108 |
| Support activities for transportation | 67,197 | 4,924,667 | 4,585,199 | 339,468 | 34,278,999 | 15,023,608 | 10,157,415 | 19,269,089 |
| Warehousing and storage | 16,718 | 501,312 | 419,303 | 82,009 | 7,205,109 | 2,023,712 | 1,541,700 | 5,185,698 |
| Other transportation and warehousing | 345,280 | 5,998,752 | 4,181,641 | 1,817,112 | 41,296,960 | 6,824,421 | 3,643,366 | 34,550,321 |
| Information | 1,686,443 | 57,667,224 | 49,585,491 | 8,081,733 | 199,484,745 | 33,573,193 | 19,116,501 | 166,399,717 |
| Publishing industries (except internet) | 368,774 | 36,109,543 | 34,101,096 | 2,008,447 | 56,143,805 | 5,095,914 | 1,485,061 | 51,192,549 |
| Periodical publishers | * 4,124 | 549,280 | 504,810 | 44,470 | 3,362,380 | 358,414 | 174,092 | 3,049,232 |
| Other publishing industries (except internet) | 364,651 | 35,560,263 | 33,596,286 | 1,963,977 | 52,781,426 | 4,737,500 | 1,310,969 | 48,143,318 |
| Motion picture and sound recording industries | 154,703 | 941,714 | 514,210 | 427,504 | 20,411,179 | 3,740,332 | 2,072,638 | 16,705,956 |
| Motion picture and video industries | 89,720 | 3,014,491 | 2,693,331 | 321,160 | 12,956,015 | 1,910,177 | 546,189 | 11,080,770 |
| Sound recording industries | 64,983 | -2,072,777 | -2,179,120 | 106,343 | 7,455,164 | 1,830,155 | 1,526,449 | 5,625,186 |
| Broadcasting (except internet) | 38,541 | 344,027 | 290,226 | 53,802 | 7,073,290 | 866,649 | 709,194 | 6,237,359 |
| Telecommunications | 322,366 | -20,797,177 | -25,266,913 | 4,469,737 | 55,437,895 | 11,217,341 | 9,175,892 | 44,321,371 |
| Data processing, hosting, and related services | 59,978 | 1,349,060 | 1,064,716 | 284,344 | 8,478,153 | 2,099,872 | 726,604 | 6,461,765 |
| Other information services | 742,080 | 39,720,057 | 38,882,157 | 837,900 | 51,940,422 | 10,553,085 | 4,947,111 | 41,480,716 |
| Finance, insurance, real estate, and rental and leasing | 13,856,025 | 305,107,542 | 239,649,235 | 65,458,307 | 560,179,060 | 139,373,833 | 91,166,384 | 447,218,778 |
| Finance and insurance | 13,414,427 | 291,991,956 | 229,714,468 | 62,277,488 | 521,071,419 | 132,191,187 | 85,104,039 | 414,844,872 |
| Credit intermediation and related activities | 1,065,384 | 83,686,056 | 74,219,949 | 9,466,106 | 107,753,382 | 17,066,095 | 12,066,624 | 91,727,141 |
| Depository credit intermediation | 270,919 | 23,744,485 | 20,504,524 | 3,239,961 | 30,505,934 | 5,639,991 | 3,280,760 | 25,032,654 |
| Nondepository credit intermediation | 579,244 | 53,596,318 | 49,005,907 | 4,590,410 | 63,949,181 | 9,800,032 | 7,558,531 | 54,770,033 |
| Activities related to credit intermediation | 215,221 | 6,345,254 | 4,709,518 | 1,635,735 | 13,298,267 | 1,626,072 | 1,227,333 | 11,924,454 |

Footnotes at end of table.

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Industrial sector and selected industrial subsector of controlled foreign corporation [1] | Controlled foreign corporations—continued | | | | | | | |
|---|---|--|--|--|---------------------------------------|----------------------------|---|----------------------|
| | Total Subpart F income | End of year accumulated earnings and profits (E&P) | | | Receipts by foreign corporations from | | | |
| | | Total section 964(a) E&P | Total not previously taxed E&P (post-86 & pre-87 section 959(c)(3) balances) | Total previously taxed E&P (sections 959(c)(1) & (2) balances) | All sources | All related parties, total | Any foreign corporations controlled by U.S. corporation filing return | Unrelated parties |
| | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) |
| Securities, commodity contracts, and other financial investments and related activities | 7,562,549 | 129,189,558 | 100,287,402 | 28,902,156 | 231,104,127 | 90,286,368 | 54,913,931 | 162,155,221 |
| Investment banking and securities dealing | 504,150 | 56,443,678 | 52,310,778 | 4,132,900 | 49,639,443 | 12,981,399 | 3,513,688 | 37,690,604 |
| Securities brokerage | 43,659 | -30,137,209 | -30,466,183 | 328,974 | 8,805,932 | 6,229,214 | 5,722,999 | 5,373,122 |
| Other securities, commodity contracts, and other financial investments and related activities | 7,014,741 | 102,883,090 | 78,442,807 | 24,440,282 | 172,658,751 | 71,075,755 | 45,677,243 | 119,091,495 |
| Insurance carriers and related activities | 2,578,013 | 50,382,560 | 40,628,523 | 9,754,037 | 143,741,486 | 11,151,968 | 7,177,941 | 134,075,219 |
| Insurance carriers | 1,700,733 | 32,606,174 | 25,863,106 | 6,743,067 | 101,488,433 | 4,369,585 | 2,581,752 | 97,508,855 |
| Agencies, brokerages, and other insurance related activities | 877,280 | 17,776,386 | 14,765,417 | 3,010,969 | 42,253,054 | 6,782,383 | 4,596,189 | 36,566,363 |
| Funds, trusts, and other financial vehicles | 2,208,481 | 28,733,782 | 14,578,593 | 14,155,189 | 38,472,424 | 13,686,756 | 10,945,543 | 26,887,292 |
| Real estate and rental and leasing | 441,598 | 13,115,586 | 9,934,767 | 3,180,820 | 39,107,641 | 7,182,647 | 6,062,345 | 32,373,906 |
| Real estate | 305,977 | 7,196,540 | 4,894,908 | 2,301,631 | 15,852,290 | 4,564,423 | 4,247,767 | 11,413,160 |
| Other real estate and rental and leasing | 135,621 | 5,919,047 | 5,039,858 | 879,188 | 23,255,352 | 2,618,223 | 1,814,578 | 20,960,746 |
| Services | 21,334,835 | 940,002,470 | 837,171,584 | 102,830,887 | 1,824,463,288 | 578,897,461 | 393,077,012 | 1,313,824,607 |
| Professional, scientific, and technical services | 2,813,995 | 195,501,343 | 184,376,512 | 11,124,831 | 434,515,115 | 166,697,331 | 89,144,598 | 273,224,021 |
| Architectural, engineering, and related services | 150,701 | 5,194,643 | 4,563,256 | 631,387 | 27,029,401 | 4,355,603 | 3,078,275 | 22,821,495 |
| Computer system design and related services | 1,000,945 | 150,078,904 | 145,256,966 | 4,821,938 | 228,363,253 | 92,432,134 | 43,494,664 | 138,435,908 |
| Computer system design services | 186,303 | 5,023,575 | 3,994,490 | 1,029,085 | 13,882,401 | 3,890,588 | 1,227,993 | 10,093,918 |
| Other computer system design and related services | 814,642 | 145,055,329 | 141,262,476 | 3,792,853 | 214,480,852 | 88,541,546 | 42,266,671 | 128,341,990 |
| Management, scientific, and technical consulting services | 82,900 | 1,592,326 | 1,152,770 | 439,556 | 19,757,960 | 7,662,812 | 4,569,035 | 12,397,529 |
| Scientific research and development services | 199,368 | -1,395,739 | -2,195,999 | 800,260 | 16,016,687 | 10,654,824 | 5,499,577 | 5,763,432 |
| Advertising, public relations, and related services | 91,813 | 5,432,666 | 4,992,803 | 439,863 | 28,085,906 | 6,071,402 | 4,664,685 | 22,503,940 |
| Other professional, scientific, and technical services | 1,288,269 | 34,598,542 | 30,606,716 | 3,991,827 | 115,261,908 | 45,520,555 | 27,838,363 | 71,301,716 |
| Management of companies and enterprises | 17,799,298 | 718,592,783 | 631,017,251 | 87,575,532 | 1,249,214,420 | 387,326,438 | 287,606,312 | 922,817,302 |
| Offices of bank holding companies | 224,715 | 9,491,401 | 7,151,470 | 2,339,931 | 10,404,825 | 4,985,308 | 3,835,195 | 6,762,187 |
| Offices of other holding companies | 17,574,583 | 709,101,383 | 623,865,781 | 85,235,601 | 1,238,809,595 | 382,341,130 | 283,771,118 | 916,055,115 |
| Administration and support and waste management and remediation services | 307,621 | 6,808,662 | 5,491,098 | 1,317,563 | 53,781,311 | 13,911,931 | 8,834,702 | 41,457,233 |
| Arts, entertainment, and recreation | 36,263 | -349,497 | -555,363 | 205,865 | 6,929,451 | 749,525 | 499,219 | 6,201,985 |
| Accommodation and food services | 227,737 | 10,998,196 | 9,308,250 | 1,689,946 | 48,169,562 | 3,415,143 | 2,839,549 | 44,968,586 |
| Accommodation | 107,664 | 4,940,126 | 3,383,081 | 1,557,045 | 14,538,784 | 760,674 | 433,259 | 13,780,875 |
| Food services and drinking places | 120,073 | 6,058,070 | 5,925,169 | 132,901 | 33,630,778 | 2,654,469 | 2,406,290 | 31,187,711 |
| Repair and maintenance | 92,751 | 4,846,434 | 4,341,329 | 505,105 | 14,494,219 | 3,984,773 | 2,000,236 | 10,542,486 |
| Other services (except public administration) | 57,170 | 3,604,550 | 3,192,506 | 412,044 | 17,359,209 | 2,812,319 | 2,152,395 | 14,612,994 |

Footnotes at end of table.

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Industrial sector and selected industrial subsector of controlled foreign corporation [1] | Controlled foreign corporations—continued | | | | | |
|--|---|----------------------------|---|----------------------|---|---|
| | Payments by foreign corporations to | | | | Dividends received from foreign corporations or partnerships controlled by U.S. corporation filing return | Dividends paid to foreign corporations or partnerships controlled by U.S. corporation filing return |
| | All recipients | All related parties, total | Any foreign corporations controlled by U.S. corporation filing return | Unrelated parties | | |
| | (25) | (26) | (27) | (28) | (29) | (30) |
| All industries | 6,393,043,660 | 2,077,281,324 | 1,250,804,663 | 4,355,052,140 | 253,793,092 | 313,153,682 |
| Raw materials and energy production | 287,210,934 | 69,515,793 | 43,427,330 | 218,183,182 | 1,682,946 | 15,820,625 |
| Agriculture, forestry, fishing, and hunting | 21,589,077 | 4,580,362 | 3,247,600 | 17,077,069 | * 53,889 | 192,577 |
| Mining, quarrying, and oil and gas extraction | 232,884,755 | 59,655,394 | 35,427,954 | 173,513,028 | 627,908 | 12,868,525 |
| Oil and gas extraction | 185,360,183 | 47,291,876 | 26,369,527 | 138,285,846 | 580,831 | 11,193,018 |
| Other mining, quarrying, and oil and gas extraction | 47,524,571 | 12,363,518 | 9,058,427 | 35,227,182 | * 47,076 | 1,675,507 |
| Utilities | 32,737,102 | 5,280,037 | 4,751,775 | 27,593,085 | 1,001,149 | 2,759,523 |
| Goods production | 2,272,141,866 | 659,814,337 | 396,685,510 | 1,619,210,137 | 24,072,562 | 67,543,105 |
| Construction | 30,111,029 | 4,054,245 | 2,611,479 | 26,159,900 | 154,876 | 860,409 |
| Manufacturing | 2,242,030,837 | 655,760,092 | 394,074,031 | 1,593,050,237 | 23,917,686 | 66,682,696 |
| Food manufacturing | 176,338,920 | 32,720,772 | 24,846,510 | 143,802,150 | 576,957 | 3,513,613 |
| Grain and oilseed milling | 32,520,599 | 9,343,320 | 7,349,306 | 23,186,247 | * 33,528 | 137,002 |
| Other food manufacturing | 143,818,322 | 23,377,452 | 17,497,204 | 120,615,903 | 543,429 | 3,376,611 |
| Beverage and tobacco product manufacturing | 143,701,987 | 37,296,551 | 22,211,282 | 106,425,009 | 1,758,719 | 8,931,967 |
| Beverage manufacturing | 81,470,761 | 23,658,397 | 14,877,570 | 57,831,936 | 1,167,615 | 6,607,574 |
| Tobacco manufacturing | 62,231,226 | 13,638,154 | 7,333,712 | 48,593,072 | * 591,104 | 2,324,393 |
| Paper manufacturing | 34,631,948 | 6,969,138 | 4,679,425 | 27,700,129 | 49,111 | 611,512 |
| Petroleum and coal products manufacturing | 289,354,022 | 95,851,405 | 58,597,995 | 193,642,782 | * 480,553 | 544,418 |
| Chemical manufacturing | 302,303,906 | 127,917,494 | 83,046,230 | 176,611,280 | 2,198,226 | 20,409,793 |
| Basic chemical manufacturing | 41,265,238 | 13,423,461 | 8,269,299 | 27,933,380 | 255,300 | 1,178,581 |
| Pharmaceutical and medicine manufacturing | 143,477,111 | 73,025,489 | 50,222,040 | 70,541,568 | 854,588 | 16,344,297 |
| Paint, coating, and adhesive manufacturing | 16,501,706 | 5,496,999 | 3,974,095 | 11,034,114 | 148,848 | 223,028 |
| Soap, cleaning compound, and toilet preparation manufacturing | 21,555,457 | 6,687,925 | 4,046,262 | 14,984,187 | * 53,258 | 213,614 |
| Other chemical manufacturing | 79,504,395 | 29,283,620 | 16,534,534 | 52,118,031 | 886,231 | 2,450,273 |
| Plastics and rubber products manufacturing | 49,923,968 | 19,833,411 | 13,297,407 | 30,381,171 | 279,637 | 495,012 |
| Nonmetallic mineral product manufacturing | 31,827,265 | 12,216,083 | 8,778,797 | 19,885,028 | * 122,092 | 5,153,344 |
| Primary metal manufacturing | 37,902,509 | 7,037,220 | 2,918,922 | 30,884,841 | * 35,190 | 633,620 |
| Fabricated metal product manufacturing | 52,061,408 | 14,188,503 | 10,072,857 | 38,041,583 | 606,609 | 926,591 |
| Machinery manufacturing | 101,644,628 | 27,280,116 | 15,953,283 | 74,451,068 | 765,084 | 2,821,224 |
| Agriculture, construction, and mining machinery manufacturing | 37,253,887 | 10,054,614 | 4,744,243 | 27,212,125 | * 113,664 | 264,043 |
| Industrial machinery manufacturing | 14,405,732 | 4,400,424 | 3,123,764 | 10,013,219 | 86,669 | 1,359,746 |
| Ventilation, heating, air-conditioning, and commercial refrigeration equipment manufacturing | 17,036,690 | 3,721,423 | 2,975,832 | 13,318,455 | 107,036 | 421,410 |
| Other machinery manufacturing | 32,948,320 | 9,103,655 | 5,109,444 | 23,907,270 | 457,714 | 776,025 |
| Computer and electronic product manufacturing | 407,517,881 | 117,515,562 | 55,271,131 | 290,859,640 | 619,800 | 11,172,424 |
| Computer and peripheral equipment manufacturing | 108,542,136 | 41,295,716 | 24,024,036 | 67,721,095 | 295,503 | 8,579,441 |
| Communications equipment manufacturing | 30,501,297 | 9,569,243 | 3,347,832 | 20,947,115 | 78,696 | 173,006 |
| Semiconductor and other electronic component manufacturing | 240,256,840 | 56,346,087 | 21,157,375 | 184,269,041 | 226,153 | 1,207,283 |
| Other computer and electronic manufacturing | 28,217,608 | 10,304,515 | 6,741,888 | 17,922,389 | 19,447 | 1,212,693 |
| Electric equipment, appliance, and component manufacturing | 81,519,734 | 19,621,252 | 11,973,164 | 62,458,036 | 935,046 | 3,225,878 |
| Transportation equipment manufacturing | 332,296,826 | 62,629,086 | 35,795,747 | 270,541,323 | 393,499 | 2,592,439 |
| Motor vehicle, vehicle body and trailer, and vehicle parts manufacturing | 298,215,959 | 51,747,420 | 29,317,142 | 247,249,530 | 300,973 | 2,243,159 |
| Other transportation equipment manufacturing | 34,080,867 | 10,881,666 | 6,478,605 | 23,291,794 | * 92,526 | 349,280 |

Footnotes at end of table.

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Industrial sector and selected industrial subsector of controlled foreign corporation [1] | Controlled foreign corporations—continued | | | | | |
|---|---|----------------------------|---|--------------------|---|---|
| | Payments by foreign corporations to | | | | Dividends received from foreign corporations or partnerships controlled by U.S. corporation filing return | Dividends paid to foreign corporations or partnerships controlled by U.S. corporation filing return |
| | All recipients | All related parties, total | Any foreign corporations controlled by U.S. corporation filing return | Unrelated parties | | |
| | (25) | (26) | (27) | (28) | (29) | (30) |
| Miscellaneous manufacturing | 167,819,665 | 67,617,644 | 42,386,213 | 101,214,912 | 15,043,817 | 5,378,411 |
| Medical equipment and supplies manufacturing | 68,116,143 | 29,844,974 | 17,130,705 | 38,928,211 | 13,232,844 | 2,575,184 |
| Other miscellaneous manufacturing | 99,703,522 | 37,772,670 | 25,255,508 | 62,286,701 | 1,810,974 | 2,803,227 |
| Other manufacturing | 33,186,170 | 7,065,855 | 4,245,069 | 26,151,284 | 53,347 | 272,451 |
| Distribution and transportation of goods | 1,461,534,485 | 562,758,578 | 334,892,311 | 902,411,998 | 35,905,035 | 28,358,253 |
| Wholesale and retail trade | 1,381,219,435 | 537,202,352 | 321,206,694 | 847,169,806 | 35,240,536 | 27,655,197 |
| Wholesale trade | 1,062,898,655 | 454,983,279 | 277,000,016 | 610,712,855 | 34,973,992 | 25,169,361 |
| Motor vehicle and motor vehicle parts and supplies merchant wholesalers | 41,445,928 | 16,987,867 | 7,774,799 | 24,520,370 | * 20,608 | 580,473 |
| Professional and commercial equipment and supplies merchant wholesalers | 27,477,931 | 16,173,303 | 5,754,700 | 11,367,266 | * 19,575 | 288,566 |
| Household appliances and electrical and electronic goods merchant wholesalers | 98,208,931 | 41,761,889 | 18,580,815 | 56,748,981 | 1,071,365 | 840,397 |
| Machinery, equipment, and suppliers merchant wholesalers | 72,530,312 | 37,767,341 | 22,214,296 | 34,823,681 | 104,646 | 385,577 |
| Drugs and druggists' sundries merchant wholesalers | 158,180,019 | 100,153,155 | 74,304,794 | 59,774,477 | 30,606,766 | 11,621,334 |
| Grocery and related products merchant wholesalers | 28,844,116 | 8,394,755 | 6,585,712 | 20,455,973 | * 127,305 | 347,550 |
| Farm product raw materials merchant wholesalers | 78,908,785 | 24,749,735 | 13,187,375 | 54,205,303 | * 11,000 | 932,301 |
| Chemical and allied products merchant wholesalers | 54,248,401 | 25,755,512 | 15,086,350 | 28,549,130 | 84,405 | 585,315 |
| Petroleum and petroleum products merchant wholesalers | 134,708,843 | 47,186,184 | 18,962,254 | 87,523,746 | * 61,428 | 83,446 |
| Tobacco and tobacco products merchant wholesalers | 39,607,198 | 16,156,055 | 15,959,412 | 23,490,848 | * 179,740 | 1,279,029 |
| Wholesale trade agents and brokers | 5,136,133 | 1,642,698 | 528,653 | 3,493,549 | * 86,649 | * 238,251 |
| Other wholesale trade | 323,602,059 | 118,254,785 | 78,060,857 | 205,759,532 | 2,600,504 | 7,987,123 |
| Retail trade | 318,320,780 | 82,219,074 | 44,206,679 | 236,456,951 | 266,544 | 2,485,836 |
| Nonstore retailers | 88,205,127 | 37,061,201 | 18,642,990 | 51,356,310 | * 41,793 | 655,011 |
| Other retailers | 230,115,653 | 45,157,872 | 25,563,689 | 185,100,642 | 224,751 | 1,830,825 |
| Transportation and warehousing | 80,315,051 | 25,556,226 | 13,685,617 | 55,242,191 | 664,499 | 703,056 |
| Support activities for transportation | 32,567,877 | 14,809,649 | 10,095,931 | 18,210,973 | 603,766 | 283,099 |
| Warehousing and storage | 6,763,016 | 1,413,268 | 1,066,469 | 5,359,409 | 0 | 132,053 |
| Other transportation and warehousing | 40,984,158 | 9,333,309 | 2,523,217 | 31,671,809 | * 60,733 | 287,904 |
| Information | 202,463,832 | 49,158,244 | 23,819,328 | 153,652,915 | 833,542 | 3,076,408 |
| Publishing industries (except internet) | 54,175,900 | 9,817,668 | 2,791,124 | 44,468,253 | 205,744 | 89,155 |
| Periodical publishers | 3,347,375 | 467,836 | 216,704 | 2,895,603 | * 55,913 | 47,323 |
| Other publishing industries (except internet) | 50,828,525 | 9,349,832 | 2,574,420 | 41,572,650 | 149,831 | 41,832 |
| Motion picture and sound recording industries | 19,162,361 | 6,769,728 | 1,622,118 | 12,459,345 | 280,820 | 218,315 |
| Motion picture and video industries | 12,833,548 | 4,812,392 | 618,671 | 8,085,842 | * 48,661 | 132,608 |
| Sound recording industries | 6,328,814 | 1,957,336 | 1,003,447 | 4,373,503 | 232,160 | 85,707 |
| Broadcasting (except internet) | 5,061,041 | 1,146,842 | 791,476 | 3,943,767 | 40,639 | 87,106 |
| Telecommunications | 73,296,967 | 14,595,495 | 10,990,203 | 58,774,216 | 49,437 | 1,031,072 |
| Data processing, hosting, and related services | 8,121,361 | 1,877,751 | 821,147 | 6,267,386 | * 46,357 | 71,709 |
| Other information services | 42,646,202 | 14,950,761 | 6,803,259 | 27,739,947 | 210,545 | 1,579,051 |
| Finance, insurance, real estate, and rental and leasing | 513,105,924 | 154,061,546 | 88,049,035 | 363,357,664 | 40,706,801 | 40,431,048 |
| Finance and insurance | 476,132,886 | 145,750,371 | 82,845,697 | 334,384,552 | 40,117,312 | 38,466,577 |
| Credit intermediation and related activities | 97,951,370 | 27,006,575 | 18,943,382 | 72,378,791 | 3,612,555 | 9,858,653 |
| Depository credit intermediation | 29,295,131 | 8,827,059 | 6,249,235 | 21,137,831 | 1,236,140 | 3,922,053 |
| Nondepository credit intermediation | 57,274,945 | 16,106,948 | 11,441,676 | 41,650,880 | 2,333,847 | 5,717,121 |
| Activities related to credit intermediation | 11,381,295 | 2,072,568 | 1,252,471 | 9,590,079 | * 42,568 | 219,480 |

Footnotes at end of table.

Table 1. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Industrial Sector and Selected Industrial Subsector of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Industrial sector and selected industrial subsector of controlled foreign corporation [1] | Controlled foreign corporations—continued | | | | | |
|---|---|----------------------------|---|----------------------|---|---|
| | Payments by foreign corporations to | | | | Dividends received from foreign corporations or partnerships controlled by U.S. corporation filing return | Dividends paid to foreign corporations or partnerships controlled by U.S. corporation filing return |
| | All recipients | All related parties, total | Any foreign corporations controlled by U.S. corporation filing return | Unrelated parties | | |
| | (25) | (26) | (27) | (28) | (29) | (30) |
| Securities, commodity contracts, and other financial investments and related activities | 201,720,451 | 89,849,402 | 46,280,475 | 113,075,499 | 30,367,239 | 19,581,669 |
| Investment banking and securities dealing | 40,818,443 | 15,445,934 | 8,839,406 | 25,394,314 | * 1,251,680 | 1,878,433 |
| Securities brokerage | 10,936,413 | 6,157,559 | 4,201,430 | 4,788,852 | 5,040,024 | 3,332,566 |
| Other securities, commodity contracts, and other financial investments and related activities | 149,965,595 | 68,245,910 | 33,239,638 | 82,892,333 | 24,075,535 | 14,370,670 |
| Insurance carriers and related activities | 137,974,638 | 17,250,923 | 9,971,913 | 121,990,573 | 1,714,064 | 5,226,293 |
| Insurance carriers | 98,529,200 | 9,838,213 | 5,252,682 | 89,706,649 | * 594,119 | 2,343,975 |
| Agencies, brokerages, and other insurance related activities | 39,445,438 | 7,412,711 | 4,719,231 | 32,283,924 | 1,119,945 | 2,882,317 |
| Funds, trusts, and other financial vehicles | 38,486,427 | 11,643,471 | 7,649,927 | 26,939,689 | 4,423,453 | 3,799,962 |
| Real estate and rental and leasing | 36,973,038 | 8,311,174 | 5,203,338 | 28,973,111 | 589,489 | 1,964,471 |
| Real estate | 15,982,864 | 4,919,795 | 3,523,218 | 11,300,525 | 159,815 | 1,536,523 |
| Other real estate and rental and leasing | 20,990,174 | 3,391,379 | 1,680,120 | 17,672,587 | * 429,674 | 427,948 |
| Services | 1,656,567,443 | 581,971,169 | 363,930,525 | 1,098,218,726 | 150,592,206 | 157,923,965 |
| Professional, scientific, and technical services | 397,917,861 | 144,939,526 | 85,912,633 | 255,620,669 | 6,221,996 | 21,281,243 |
| Architectural, engineering, and related services | 25,761,259 | 5,310,867 | 3,072,050 | 20,486,046 | 49,266 | 309,327 |
| Computer system design and related services | 192,416,193 | 85,424,635 | 47,447,728 | 107,819,835 | 3,509,823 | 7,039,197 |
| Computer system design services | 12,101,849 | 3,336,053 | 1,498,094 | 8,779,622 | * 30,029 | 62,152 |
| Other computer system design and related services | 180,314,344 | 82,088,582 | 45,949,635 | 99,040,213 | 3,479,794 | 6,977,045 |
| Management, scientific, and technical consulting services | 19,307,633 | 5,255,512 | 3,201,324 | 14,319,252 | 317,420 | 313,340 |
| Scientific research and development services | 15,889,705 | 3,996,934 | 2,761,500 | 12,167,539 | * 8,594 | 67,201 |
| Advertising, public relations, and related services | 27,323,555 | 6,456,971 | 4,333,674 | 21,117,104 | 942,337 | 1,761,322 |
| Other professional, scientific, and technical services | 117,219,515 | 38,494,606 | 25,096,356 | 79,710,893 | 1,394,557 | 11,790,856 |
| Management of companies and enterprises | 1,121,148,335 | 410,707,021 | 260,572,506 | 730,861,298 | 143,147,517 | 129,689,498 |
| Offices of bank holding companies | 12,599,852 | 11,118,238 | 8,187,448 | 2,389,831 | 3,546,940 | 6,915,931 |
| Offices of other holding companies | 1,108,548,483 | 399,588,782 | 252,385,058 | 728,471,467 | 139,600,577 | 122,773,567 |
| Administration and support and waste management and remediation services | 52,472,528 | 7,203,827 | 4,224,803 | 45,429,123 | 314,147 | 1,116,959 |
| Arts, entertainment, and recreation | 6,831,589 | 1,068,991 | 614,509 | 5,895,794 | * 41,004 | 115,101 |
| Accommodation and food services | 47,888,477 | 11,067,276 | 8,941,191 | 36,867,453 | 618,516 | 5,112,693 |
| Accommodation | 14,107,513 | 3,049,029 | 2,512,329 | 11,104,726 | * 39,173 | 1,730,967 |
| Food services and drinking places | 33,780,965 | 8,018,247 | 6,428,863 | 25,762,727 | 579,343 | 3,381,726 |
| Repair and maintenance | 14,023,404 | 3,730,489 | 1,863,712 | 10,418,112 | 186,966 | 439,359 |
| Other services (except public administration) | 16,285,249 | 3,254,041 | 1,801,171 | 13,126,277 | 62,059 | 169,112 |

* Data should be used with caution because of the small number of returns on which they are based.

[1] Includes "Nature of business not allocable," not shown separately.

[2] Number of returns is not additive because some U.S. corporations had controlled foreign corporations in more than one industrial sector. The industrial activity of the parent corporation filing the return often differs from that of the controlled foreign corporations.

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

SOURCE: IRS, Statistics of Income Division, Controlled Foreign Corporations, September 2015.

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2012

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

| Selected country of incorporation of controlled foreign corporation | Number of U.S. corporation returns [1] | Controlled foreign corporations | | | | | | |
|---|--|---------------------------------|-----------------------|-----------------------|----------------------|--------------------|---|--------------------|
| | | Number of foreign corporations | Total assets | | Total receipts | Dividend income | Current earnings and profits (less deficit) before income taxes | Income taxes |
| | | | Beginning of year | End of year | | | | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| All geographic regions | 14,039 | 88,038 | 17,282,107,662 | 18,596,353,104 | 6,857,571,434 | 449,025,762 | 924,126,084 | 130,814,745 |
| Latin America, total | 3,647 | 12,319 | 947,108,160 | 1,032,526,819 | 596,883,878 | 5,922,219 | 65,954,750 | 16,366,135 |
| Mexico | 2,516 | 5,074 | 376,589,810 | 456,538,122 | 261,728,758 | 3,846,912 | 33,706,358 | 7,290,557 |
| Central America and Caribbean countries, total | 692 | 1,504 | 34,513,942 | 34,501,966 | 29,704,137 | 527,283 | 1,834,491 | 392,143 |
| Panama (including Canal Zone) | 253 | 366 | 13,404,797 | 12,674,098 | 7,640,103 | 484,388 | 794,049 | 103,062 |
| Other Central American and Caribbean countries | 531 | 1,138 | 21,109,145 | 21,827,869 | 22,064,034 | 42,895 | 1,040,443 | 289,081 |
| South America, total | 1,746 | 5,742 | 536,004,408 | 541,486,731 | 305,450,984 | 1,548,024 | 30,413,900 | 8,683,435 |
| Argentina | 553 | 845 | 29,123,497 | 31,723,959 | 39,560,863 | 32,678 | 3,210,359 | 1,469,727 |
| Brazil | 1,229 | 2,082 | 267,212,003 | 279,753,329 | 162,680,507 | 782,334 | 13,110,090 | 4,037,415 |
| Chile | 502 | 875 | 169,250,783 | 148,992,365 | 44,354,620 | 550,041 | 6,051,660 | 949,433 |
| Colombia | 434 | 614 | 29,605,776 | 32,728,549 | 18,630,776 | 56,917 | 1,555,857 | 545,570 |
| Peru | 326 | 420 | 14,472,487 | 16,961,408 | 10,657,397 | * 20,096 | 2,607,887 | 718,005 |
| Uruguay | 156 | 220 | 5,201,648 | 5,830,993 | 3,577,241 | 0 | 247,344 | 29,667 |
| Venezuela | 241 | 381 | 15,891,443 | 19,846,239 | 18,160,806 | 106,449 | 2,940,862 | 770,710 |
| Other South American countries | 186 | 304 | 5,246,771 | 5,649,890 | 7,828,773 | * -492 | 689,841 | 162,908 |
| Other Western Hemisphere, total | 4,874 | 11,068 | 2,872,817,846 | 3,012,537,911 | 1,402,675,690 | 107,518,317 | 214,673,998 | 33,399,007 |
| Bahamas | 69 | 336 | 153,857,528 | 174,256,436 | 59,180,903 | 20,140,240 | 21,679,853 | 1,488,172 |
| Bermuda | 403 | 863 | 754,718,196 | 822,029,326 | 307,852,583 | 74,222,393 | 102,734,606 | 12,308,322 |
| British Virgin Islands | 262 | 410 | 58,766,844 | 61,854,720 | 32,143,659 | 330,733 | 5,987,980 | 659,927 |
| Canada | 3,910 | 7,195 | 1,094,023,503 | 1,160,532,534 | 648,782,578 | 8,498,373 | 46,150,149 | 9,267,840 |
| Cayman Islands | 769 | 1,783 | 745,159,094 | 733,040,879 | 344,300,641 | 4,082,966 | 36,878,409 | 9,300,440 |
| Other Western Hemisphere countries | 298 | 480 | 66,292,680 | 60,824,015 | 10,415,327 | 243,612 | 1,243,001 | 374,305 |
| Europe, total | 6,913 | 35,823 | 11,017,607,722 | 11,885,113,734 | 3,232,010,075 | 310,157,651 | 509,152,693 | 50,522,293 |
| European Union, total | 6,441 | 32,261 | 10,281,015,060 | 11,114,781,581 | 2,791,738,578 | 296,812,578 | 457,567,768 | 42,929,388 |
| Austria | 336 | 508 | 18,359,862 | 18,503,117 | 13,244,003 | 108,251 | 747,079 | 212,999 |
| Belgium | 626 | 1,081 | 175,120,970 | 184,357,096 | 56,132,798 | 1,084,960 | 5,145,181 | 878,698 |
| Cyprus | 129 | 169 | 17,695,609 | 20,112,535 | 2,780,437 | * 36,583 | 323,759 | 58,674 |
| Czech Republic | 353 | 533 | 21,476,053 | 21,836,282 | 17,157,265 | * 14,415 | 1,166,261 | 218,437 |
| Denmark | 399 | 678 | 59,962,783 | 56,770,329 | 16,255,630 | 293,195 | 2,793,229 | 227,381 |
| Finland | 259 | 376 | 12,069,772 | 11,623,929 | 6,617,935 | 104,949 | 309,873 | 85,678 |
| France (including Corsica, Guadeloupe, Martinique, and Reunion) | 1,396 | 3,116 | 283,921,638 | 262,476,770 | 139,235,592 | 4,101,554 | 10,651,233 | 2,822,903 |
| Germany | 1,855 | 3,859 | 438,950,461 | 469,435,208 | 228,613,837 | 3,227,467 | 13,808,804 | 3,422,387 |
| Greece | 182 | 276 | 7,403,272 | 6,610,548 | 6,917,829 | * 49,798 | 41,727 | 76,699 |
| Hungary | 290 | 426 | 83,724,478 | 68,583,500 | 19,797,932 | 2,538,917 | 4,123,495 | 181,008 |
| Ireland | 660 | 1,199 | 1,223,947,740 | 1,273,928,131 | 523,979,752 | 90,418,912 | 128,586,976 | 3,243,156 |
| Italy | 836 | 1,465 | 113,530,962 | 110,478,453 | 59,817,797 | 841,740 | 3,754,498 | 1,569,520 |
| Luxembourg | 525 | 1,195 | 1,705,225,292 | 1,883,419,368 | 385,154,591 | 44,595,204 | 63,003,774 | 5,486,496 |
| Netherlands | 1,600 | 3,690 | 2,337,513,794 | 2,456,586,231 | 524,455,849 | 89,473,343 | 154,706,010 | 13,920,792 |
| Poland | 508 | 814 | 48,603,839 | 50,987,159 | 27,989,911 | 89,077 | 965,181 | 404,746 |
| Portugal (including Azores) | 252 | 393 | 9,464,292 | 9,196,503 | 8,233,975 | 140,569 | 449,198 | 136,190 |
| Romania | 228 | 312 | 6,388,674 | 7,211,389 | 7,407,369 | * 1,077 | 187,626 | 76,850 |

Footnotes at end of table.

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Selected country of incorporation of controlled foreign corporation | Number of U.S. corporation returns [1] | Controlled foreign corporations | | | | | | |
|---|--|---------------------------------|----------------------|----------------------|----------------------|-------------------|---|-------------------|
| | | Number of foreign corporations | Total assets | | Total receipts | Dividend income | Current earnings and profits (less deficit) before income taxes | Income taxes |
| | | | Beginning of year | End of year | | | | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| Spain (including Canary Isles) | 824 | 1,567 | 122,227,811 | 122,055,006 | 73,480,882 | 1,950,630 | 5,204,868 | 1,269,487 |
| Sweden | 560 | 943 | 123,842,016 | 136,653,598 | 41,588,804 | 1,881,687 | 4,346,490 | 534,247 |
| United Kingdom and Northern Ireland (including Gibraltar) | 4,166 | 9,025 | 3,449,404,992 | 3,924,675,565 | 619,250,188 | 53,740,389 | 55,223,298 | 7,957,848 |
| Other European Union countries | 303 | 636 | 22,180,750 | 19,280,862 | 13,626,201 | 2,119,860 | 2,029,208 | 145,190 |
| Other European countries, total | 1,448 | 3,562 | 736,592,662 | 770,332,154 | 440,271,496 | 13,345,073 | 51,584,925 | 7,592,905 |
| Norway | 256 | 424 | 28,717,980 | 30,966,561 | 18,185,339 | 794,722 | 4,116,256 | 2,621,022 |
| Russia | 393 | 746 | 42,188,380 | 52,681,470 | 40,001,230 | 69,889 | 4,004,088 | 1,023,320 |
| Switzerland | 1,051 | 1,666 | 603,821,758 | 616,739,571 | 365,810,261 | 12,427,342 | 41,516,857 | 3,692,720 |
| Other European countries | 336 | 726 | 61,864,545 | 69,944,551 | 16,274,666 | 53,120 | 1,947,724 | 255,843 |
| Africa, total | 842 | 2,075 | 105,617,466 | 101,240,426 | 74,542,634 | 664,361 | 8,568,894 | 2,762,963 |
| Eastern Africa, total | 345 | 555 | 38,534,535 | 32,373,951 | 8,656,129 | 308,774 | 917,295 | 242,208 |
| Southern Africa, total | 490 | 910 | 29,225,000 | 31,217,660 | 43,274,068 | 342,171 | 2,434,308 | 575,341 |
| Other African countries | 258 | 610 | 37,857,931 | 37,648,815 | 22,612,437 | * 13,416 | 5,217,292 | 1,945,414 |
| Asia, total | 5,987 | 22,667 | 1,794,926,547 | 1,973,687,042 | 1,303,369,613 | 10,774,728 | 98,988,497 | 23,033,151 |
| Central, Western, and Southern Asia, total | 2,452 | 4,972 | 137,625,790 | 173,081,988 | 151,557,485 | 238,526 | 13,480,872 | 3,305,241 |
| India | 1,778 | 2,682 | 65,177,925 | 74,049,269 | 69,854,297 | 60,578 | 6,877,853 | 2,296,964 |
| Israel | 599 | 846 | 35,983,890 | 55,586,513 | 21,651,753 | 147,567 | 2,999,910 | 316,414 |
| Turkey | 298 | 488 | 18,281,607 | 23,191,658 | 28,852,391 | * 17,179 | 1,195,294 | 342,926 |
| Other Central and Southern Asian countries | 504 | 956 | 18,182,368 | 20,254,548 | 31,199,045 | * 13,202 | 2,407,815 | 348,938 |
| Eastern Asia, total | 4,163 | 12,625 | 1,285,307,983 | 1,398,290,317 | 786,588,627 | 6,444,849 | 52,846,442 | 15,239,876 |
| China, Peoples Republic of | 2,810 | 5,988 | 221,047,191 | 243,460,611 | 242,116,319 | 1,106,759 | 15,874,359 | 4,073,970 |
| Hong Kong | 1,684 | 2,630 | 129,488,734 | 143,193,881 | 73,928,447 | 2,781,927 | 8,877,888 | 1,078,044 |
| Japan (including Okinawa and Ryukyu Islands) | 1,407 | 2,381 | 679,879,634 | 748,423,479 | 311,374,973 | 2,415,289 | 15,168,557 | 6,206,616 |
| Korea, Republic of South | 683 | 945 | 184,421,525 | 188,631,973 | 122,347,200 | 54,518 | 7,872,463 | 1,873,508 |
| Other Eastern Asian countries | 515 | 682 | 70,470,899 | 74,580,372 | 36,821,688 | 86,356 | 5,053,176 | 2,007,737 |
| Southeastern Asia, total | 1,929 | 5,069 | 371,992,774 | 402,314,737 | 365,223,501 | 4,091,353 | 32,661,182 | 4,488,035 |
| Malaysia | 581 | 963 | 40,888,351 | 38,159,280 | 36,453,777 | 76,326 | 3,069,550 | 459,451 |
| Philippines | 373 | 575 | 16,832,048 | 17,551,384 | 21,339,723 | 136,141 | 2,219,682 | 431,664 |
| Singapore | 1,393 | 2,111 | 273,796,001 | 301,429,064 | 240,831,808 | 3,846,068 | 20,826,270 | 1,398,894 |
| Thailand | 478 | 755 | 20,235,147 | 22,704,462 | 39,878,836 | 22,553 | 2,099,572 | 578,868 |
| Other Southeastern Asian countries | 393 | 665 | 20,241,226 | 22,470,547 | 26,719,356 | * 10,265 | 4,446,109 | 1,619,157 |
| Oceania, total | 1,547 | 3,558 | 495,367,997 | 522,445,498 | 215,541,857 | 13,942,179 | 17,801,892 | 4,479,301 |
| Australia | 1,417 | 2,779 | 475,291,359 | 498,989,684 | 200,665,164 | 13,694,741 | 17,040,523 | 4,167,149 |
| Other countries of Oceania | 491 | 779 | 20,076,638 | 23,455,814 | 14,876,693 | 247,439 | 761,369 | 312,152 |
| Puerto Rico and U.S. Possessions, total | 375 | 529 | 48,661,924 | 68,801,675 | 32,547,687 | * 46,307 | 8,985,360 | 251,895 |
| OPEC countries, total (countries included above) | 614 | 1,278 | 42,482,362 | 47,330,414 | 54,417,144 | 110,399 | 8,075,651 | 2,488,637 |

Footnotes at end of table.

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Selected country of incorporation of controlled foreign corporation | Controlled foreign corporations—continued | | | | | | | |
|---|--|--|--------------------|---|---|---|---------------------------------------|--|
| | Current earnings and profits (less deficit) after income taxes | Foreign corporations with current earnings and profits (+) before income taxes | | | Distributions out of earnings and profits | | | Dividends paid to controlling U.S. corporation |
| | | Current earnings and profits before income taxes | Income taxes | Current earnings and profits after income taxes | Total | Not previously taxed earnings and profits | Previously taxed earnings and profits | |
| | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) |
| All geographic regions | 793,311,339 | 1,052,881,217 | 127,431,344 | 925,449,873 | 475,832,007 | 349,549,972 | 126,282,035 | 93,482,519 |
| Latin America, total | 49,588,615 | 74,829,860 | 15,938,509 | 58,891,351 | 33,726,525 | 30,634,277 | 3,092,248 | 7,493,635 |
| Mexico | 26,415,802 | 35,287,134 | 7,165,136 | 28,121,997 | 17,475,758 | 15,759,642 | 1,716,115 | 3,028,728 |
| Central America and Caribbean countries, total | 1,442,348 | 2,514,444 | 338,640 | 2,175,804 | 1,211,557 | 997,947 | 213,611 | 659,298 |
| Panama (including Canal Zone) | 690,987 | 1,141,619 | 83,512 | 1,058,107 | 820,045 | 647,237 | 172,808 | 536,714 |
| Other Central American and Caribbean countries | 751,361 | 1,372,825 | 255,128 | 1,117,698 | 391,512 | 350,710 | 40,803 | 122,585 |
| South America, total | 21,730,465 | 37,028,282 | 8,434,733 | 28,593,549 | 15,039,210 | 13,876,688 | 1,162,522 | 3,805,609 |
| Argentina | 1,740,633 | 3,845,191 | 1,432,329 | 2,412,862 | 165,593 | 157,448 | 8,145 | 47,916 |
| Brazil | 9,072,674 | 17,428,249 | 3,889,182 | 13,539,067 | 10,058,028 | 9,185,174 | 872,854 | 2,746,210 |
| Chile | 5,102,227 | 6,972,199 | 929,264 | 6,042,935 | 3,204,000 | 3,040,672 | 163,328 | 549,095 |
| Colombia | 1,010,288 | 1,744,665 | 534,665 | 1,210,000 | 454,265 | 418,380 | * 35,884 | 183,677 |
| Peru | 1,889,881 | 2,792,910 | 711,590 | 2,081,320 | 302,836 | 295,821 | * 7,015 | 107,431 |
| Uruguay | 217,676 | 313,915 | 28,426 | 285,489 | 150,081 | 113,468 | * 36,613 | * 23,521 |
| Venezuela | 2,170,152 | 3,205,221 | 749,437 | 2,455,783 | 537,728 | 502,997 | * 34,731 | 53,515 |
| Other South American countries | 526,934 | 725,932 | 159,839 | 566,093 | 166,680 | 162,729 | * 3,951 | 94,244 |
| Other Western Hemisphere, total | 181,274,991 | 237,999,723 | 33,070,183 | 204,929,540 | 116,091,429 | 91,179,971 | 24,911,458 | 25,587,134 |
| Bahamas | 20,191,681 | 23,202,411 | 1,456,121 | 21,746,289 | 8,061,536 | 6,555,974 | 1,505,562 | 6,533,537 |
| Bermuda | 90,426,284 | 104,316,004 | 12,245,214 | 92,070,790 | 63,014,376 | 49,393,278 | 13,621,098 | 4,867,334 |
| British Virgin Islands | 5,328,052 | 6,834,629 | 645,469 | 6,189,160 | 2,187,931 | 1,313,565 | 874,366 | 1,122,048 |
| Canada | 36,882,309 | 56,402,831 | 9,154,062 | 47,248,769 | 23,597,644 | 20,246,797 | 3,350,848 | 7,752,720 |
| Cayman Islands | 27,577,969 | 45,607,252 | 9,203,833 | 36,403,419 | 18,567,059 | 13,411,091 | 5,155,968 | 5,069,460 |
| Other Western Hemisphere countries | 868,696 | 1,636,597 | 365,484 | 1,271,113 | 662,883 | 259,265 | 403,617 | 242,035 |
| Europe, total | 458,630,400 | 575,571,460 | 48,988,912 | 526,582,549 | 245,412,403 | 156,139,146 | 89,273,257 | 40,763,709 |
| European Union, total | 414,638,380 | 519,913,130 | 41,466,352 | 478,446,778 | 225,830,929 | 146,587,485 | 79,243,445 | 37,884,527 |
| Austria | 534,080 | 966,996 | 198,675 | 768,321 | 419,947 | 315,018 | 104,929 | 38,414 |
| Belgium | 4,266,483 | 5,890,122 | 851,619 | 5,038,503 | 2,347,198 | 1,780,346 | 566,852 | 162,770 |
| Cyprus | 265,085 | 441,212 | 57,204 | 384,008 | 297,796 | 220,048 | * 77,747 | * 159,214 |
| Czech Republic | 947,823 | 1,378,612 | 209,016 | 1,169,596 | 501,204 | 479,025 | 22,179 | 23,029 |
| Denmark | 2,565,848 | 3,315,053 | 213,431 | 3,101,622 | 368,747 | 324,407 | 44,340 | 179,364 |
| Finland | 224,195 | 480,277 | 80,125 | 400,152 | 257,794 | 237,075 | 20,719 | 42,483 |
| France (including Corsica, Guadeloupe, Martinique, and Reunion) | 7,828,330 | 13,524,092 | 2,706,298 | 10,817,794 | 7,803,286 | 6,638,251 | 1,165,035 | 912,576 |
| Germany | 10,386,417 | 22,201,676 | 3,223,730 | 18,977,946 | 10,793,568 | 7,952,660 | 2,840,908 | 1,245,092 |
| Greece | -34,972 | 313,118 | 59,854 | 253,264 | 79,543 | 73,374 | * 6,169 | * 10,054 |
| Hungary | 3,942,487 | 4,309,908 | 156,531 | 4,153,376 | 4,492,366 | 2,789,715 | 1,702,650 | 31,246 |
| Ireland | 125,343,820 | 135,193,184 | 3,180,743 | 132,012,441 | 9,790,448 | 2,766,126 | 7,024,322 | 828,532 |
| Italy | 2,184,978 | 5,363,009 | 1,438,101 | 3,924,908 | 3,763,762 | 3,184,733 | 579,029 | 348,653 |
| Luxembourg | 57,517,278 | 67,749,757 | 5,369,379 | 62,380,379 | 48,606,207 | 26,493,399 | 22,112,808 | 8,796,210 |
| Netherlands | 140,785,217 | 164,649,479 | 13,570,278 | 151,079,201 | 88,315,505 | 54,577,415 | 33,738,090 | 17,410,387 |
| Poland | 560,435 | 2,145,197 | 355,985 | 1,789,213 | 670,547 | 635,220 | 35,327 | 160,019 |
| Portugal (including Azores) | 313,008 | 661,241 | 125,144 | 536,097 | 553,767 | 355,098 | 198,668 | 16,187 |
| Romania | 110,775 | 413,981 | 71,902 | 342,079 | 157,331 | 149,225 | * 8,105 | * 10,035 |

Footnotes at end of table.

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Selected country of incorporation of controlled foreign corporation | Controlled foreign corporations—continued | | | | | | | |
|---|--|--|-------------------|---|---|---|---------------------------------------|--|
| | Current earnings and profits (less deficit) after income taxes | Foreign corporations with current earnings and profits (+) before income taxes | | | Distributions out of earnings and profits | | | Dividends paid to controlling U.S. corporation |
| | | Current earnings and profits before income taxes | Income taxes | Current earnings and profits after income taxes | Total | Not previously taxed earnings and profits | Previously taxed earnings and profits | |
| | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) |
| Spain (including Canary Isles) | 3,935,381 | 6,932,724 | 1,230,057 | 5,702,668 | 4,124,871 | 3,707,174 | 417,697 | 1,407,150 |
| Sweden | 3,812,243 | 5,261,577 | 499,646 | 4,761,931 | 2,489,682 | 1,219,568 | 1,270,113 | 184,814 |
| United Kingdom and Northern Ireland (including Gibraltar) | 47,265,450 | 76,508,681 | 7,725,740 | 68,782,941 | 39,420,286 | 32,328,527 | 7,091,759 | 5,845,269 |
| Other European Union countries | 1,884,018 | 2,213,234 | 142,895 | 2,070,339 | 577,076 | 361,078 | 215,998 | 73,030 |
| Other European countries, total | 43,992,020 | 55,658,330 | 7,522,560 | 48,135,771 | 19,581,473 | 9,551,661 | 10,029,813 | 2,879,182 |
| Norway | 1,495,234 | 4,416,399 | 2,606,054 | 1,810,345 | 1,396,069 | 1,157,237 | 238,832 | 931,552 |
| Russia | 2,980,768 | 4,614,472 | 984,869 | 3,629,603 | 1,399,422 | 1,378,185 | * 21,236 | 286,601 |
| Switzerland | 37,824,137 | 44,253,084 | 3,681,264 | 40,571,821 | 15,901,321 | 6,312,615 | 9,588,706 | 1,205,114 |
| Other European countries | 1,691,881 | 2,374,375 | 250,373 | 2,124,002 | 884,662 | 703,623 | 181,038 | 455,916 |
| Africa, total | 5,805,931 | 10,243,143 | 2,705,187 | 7,537,956 | 5,002,494 | 4,344,330 | 658,164 | 3,167,229 |
| Eastern Africa, total | 675,087 | 1,604,563 | 212,105 | 1,392,458 | 1,373,188 | 848,529 | 524,659 | 422,767 |
| Southern Africa, total | 1,858,967 | 2,877,230 | 554,054 | 2,323,176 | 919,289 | 885,792 | 33,497 | 280,488 |
| Other African countries | 3,271,878 | 5,761,350 | 1,939,028 | 3,822,322 | 2,710,017 | 2,610,008 | 100,009 | 2,463,974 |
| Asia, total | 75,955,346 | 119,203,918 | 22,049,870 | 97,154,048 | 63,898,159 | 57,181,328 | 6,716,831 | 12,844,227 |
| Central, Western, and Southern Asia, total | 10,175,632 | 17,433,810 | 3,188,419 | 14,245,391 | 11,609,137 | 10,723,988 | 885,149 | 1,219,714 |
| India | 4,580,889 | 8,590,945 | 2,202,537 | 6,388,408 | 1,248,755 | 1,101,780 | 146,975 | 528,477 |
| Israel | 2,683,497 | 4,282,054 | 316,266 | 3,965,788 | 8,473,014 | 7,959,728 | * 513,286 | 429,836 |
| Turkey | 852,368 | 1,707,431 | 332,462 | 1,374,969 | 884,323 | 783,087 | 101,236 | 77,227 |
| Other Central and Southern Asian countries | 2,058,878 | 2,853,379 | 337,154 | 2,516,226 | 1,003,045 | 879,393 | 123,651 | 184,175 |
| Eastern Asia, total | 37,606,567 | 65,731,412 | 14,491,309 | 51,240,103 | 36,115,413 | 31,578,110 | 4,537,303 | 8,107,390 |
| China, Peoples Republic of | 11,800,388 | 20,658,607 | 3,950,100 | 16,708,507 | 8,437,796 | 7,963,436 | 474,360 | 2,504,682 |
| Hong Kong | 7,799,844 | 10,269,249 | 1,035,832 | 9,233,417 | 5,139,106 | 3,320,523 | 1,818,583 | 273,775 |
| Japan (including Okinawa and Ryukyu Islands) | 8,961,941 | 20,492,915 | 5,713,999 | 14,778,916 | 9,899,464 | 8,410,302 | 1,489,162 | 3,661,265 |
| Korea, Republic of South | 5,998,954 | 8,836,906 | 1,800,682 | 7,036,224 | 7,858,949 | 7,179,085 | 679,865 | 1,045,986 |
| Other Eastern Asian countries | 3,045,439 | 5,473,735 | 1,990,696 | 3,483,039 | 4,780,097 | 4,704,764 | 75,333 | 621,682 |
| Southeastern Asia, total | 28,173,148 | 36,038,696 | 4,370,142 | 31,668,554 | 16,173,609 | 14,879,230 | 1,294,379 | 3,517,123 |
| Malaysia | 2,610,099 | 3,694,454 | 449,150 | 3,245,304 | 1,679,272 | 1,585,076 | 94,196 | 754,196 |
| Philippines | 1,788,017 | 2,438,861 | 416,236 | 2,022,625 | 1,417,359 | 1,404,353 | 13,006 | 754,001 |
| Singapore | 19,427,376 | 22,752,163 | 1,336,404 | 21,415,759 | 9,506,272 | 8,442,605 | 1,063,667 | 1,164,365 |
| Thailand | 1,520,704 | 2,412,868 | 567,438 | 1,845,430 | 1,039,046 | 965,928 | 73,118 | 571,346 |
| Other Southeastern Asian countries | 2,826,952 | 4,740,350 | 1,600,914 | 3,139,436 | 2,531,660 | 2,481,267 | 50,393 | 273,215 |
| Oceania, total | 13,322,591 | 25,778,557 | 4,427,438 | 21,351,119 | 10,457,422 | 9,046,572 | 1,410,850 | 2,834,342 |
| Australia | 12,873,374 | 24,323,541 | 4,123,866 | 20,199,675 | 9,454,739 | 8,070,714 | 1,384,025 | 2,551,092 |
| Other countries of Oceania | 449,217 | 1,455,016 | 303,572 | 1,151,444 | 1,002,682 | 975,858 | 26,825 | 283,250 |
| Puerto Rico and U.S. Possessions, total | 8,733,465 | 9,254,556 | 251,245 | 9,003,310 | 1,243,576 | 1,024,349 | 219,227 | 792,243 |
| OPEC countries, total (countries included above) | 5,587,015 | 8,791,036 | 2,458,957 | 6,332,079 | 3,254,457 | 3,132,409 | 122,048 | 2,164,488 |

Footnotes at end of table.

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Selected country of incorporation of controlled foreign corporation | Controlled foreign corporations—continued | | | | | | | |
|---|---|--|--|--|---------------------------------------|----------------------------|---|----------------------|
| | Total Subpart F income | End of year accumulated earnings and profits (E&P) | | | Receipts by foreign corporations from | | | |
| | | Total section 964(a) E&P | Total not previously taxed E&P (post-86 & pre-87 section 959(c)(3) balances) | Total previously taxed E&P (sections 959(c)(1) & (2) balances) | All sources | All related parties, total | Any foreign corporations controlled by U.S. corporation filing return | Unrelated parties |
| | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) |
| All geographic regions | 63,108,740 | 2,514,520,364 | 2,259,189,816 | 255,330,548 | 6,857,571,434 | 1,932,789,962 | 1,242,619,338 | 5,048,966,954 |
| Latin America, total | 1,582,914 | 133,506,115 | 125,452,704 | 8,053,411 | 596,883,878 | 134,598,055 | 77,860,780 | 468,787,334 |
| Mexico | 609,960 | 61,319,947 | 57,750,091 | 3,569,856 | 261,728,758 | 72,146,998 | 38,075,268 | 193,980,058 |
| Central America and Caribbean countries, total | 108,882 | 4,455,777 | 3,537,766 | 918,011 | 29,704,137 | 9,835,191 | 4,940,118 | 20,074,906 |
| Panama (including Canal Zone) | 68,512 | 2,258,948 | 1,627,960 | 630,988 | 7,640,103 | 2,737,232 | 1,396,525 | 5,012,759 |
| Other Central American and Caribbean countries | 40,371 | 2,196,830 | 1,909,807 | 287,023 | 22,064,034 | 7,097,959 | 3,543,593 | 15,062,147 |
| South America, total | 864,072 | 67,730,391 | 64,164,847 | 3,565,544 | 305,450,984 | 52,615,867 | 34,845,394 | 254,732,369 |
| Argentina | 31,653 | 5,374,931 | 5,224,493 | 150,438 | 39,560,863 | 8,886,468 | 2,858,562 | 30,705,480 |
| Brazil | 414,376 | 24,331,407 | 22,940,068 | 1,391,339 | 162,680,507 | 27,939,499 | 22,197,848 | 135,963,144 |
| Chile | 224,019 | 17,053,180 | 16,144,373 | 908,807 | 44,354,620 | 7,532,614 | 4,901,633 | 37,061,562 |
| Colombia | 39,606 | 5,989,187 | 5,867,954 | 121,233 | 18,630,776 | 2,159,576 | 1,407,687 | 16,824,172 |
| Peru | 13,287 | 5,476,098 | 5,398,173 | 77,925 | 10,657,397 | 1,837,582 | 687,847 | 8,828,381 |
| Uruguay | 42,448 | 543,596 | 276,029 | 267,567 | 3,577,241 | 601,976 | 455,687 | 2,977,882 |
| Venezuela | 58,886 | 6,945,526 | 6,420,555 | 524,971 | 18,160,806 | 627,069 | 499,755 | 17,562,172 |
| Other South American countries | * 39,798 | 2,016,467 | 1,893,203 | 123,264 | 7,828,773 | 3,031,083 | 1,836,374 | 4,809,577 |
| Other Western Hemisphere, total | 13,540,847 | 566,306,125 | 518,737,613 | 47,568,512 | 1,402,675,690 | 408,177,151 | 180,738,512 | 1,013,058,068 |
| Bahamas | 248,964 | 36,987,356 | 34,910,594 | 2,076,762 | 59,180,903 | 23,300,089 | 18,078,965 | 37,517,912 |
| Bermuda | 5,955,879 | 244,774,537 | 226,960,637 | 17,813,900 | 307,852,583 | 141,003,462 | 51,029,644 | 174,770,531 |
| British Virgin Islands | 933,406 | 34,910,795 | 33,927,211 | 983,585 | 32,143,659 | 11,790,709 | 8,128,998 | 21,339,267 |
| Canada | 2,542,016 | 164,268,537 | 150,918,058 | 13,350,479 | 648,782,578 | 148,588,739 | 61,628,410 | 501,741,068 |
| Cayman Islands | 3,711,583 | 80,255,786 | 68,130,369 | 12,125,417 | 344,300,641 | 80,836,087 | 41,099,383 | 269,645,244 |
| Other Western Hemisphere countries | 148,999 | 5,109,113 | 3,890,744 | 1,218,369 | 10,415,327 | 2,658,065 | 773,111 | 8,044,047 |
| Europe, total | 39,795,113 | 1,427,861,687 | 1,260,234,123 | 167,627,564 | 3,232,010,075 | 925,113,828 | 711,750,757 | 2,394,294,312 |
| European Union, total | 32,464,765 | 1,187,347,861 | 1,042,117,545 | 145,230,317 | 2,791,738,578 | 758,638,760 | 582,889,669 | 2,116,784,092 |
| Austria | 159,058 | 3,664,195 | 2,992,324 | 671,871 | 13,244,003 | 3,525,909 | 3,053,111 | 9,796,904 |
| Belgium | 265,214 | 10,438,300 | 8,472,203 | 1,966,098 | 56,132,798 | 22,535,061 | 18,610,337 | 33,916,992 |
| Cyprus | 48,799 | 1,220,304 | 942,870 | 277,434 | 2,780,437 | 436,129 | 314,304 | 2,396,685 |
| Czech Republic | 30,458 | 4,817,436 | 4,626,088 | 191,348 | 17,157,265 | 5,561,953 | 4,586,305 | 11,674,099 |
| Denmark | 259,817 | 5,626,478 | 4,771,687 | 854,792 | 16,255,630 | 4,372,140 | 3,613,980 | 11,948,251 |
| Finland | 28,400 | 741,535 | 619,085 | 122,450 | 6,617,935 | 1,932,744 | 1,427,949 | 4,712,967 |
| France (including Corsica, Guadeloupe, Martinique, and Reunion) | 861,536 | 32,898,921 | 27,625,365 | 5,273,556 | 139,235,592 | 43,210,972 | 37,208,635 | 96,895,795 |
| Germany | 1,295,960 | 31,313,639 | 25,098,228 | 6,215,410 | 228,613,837 | 51,498,674 | 43,191,055 | 182,281,141 |
| Greece | 9,436 | -323,028 | -394,560 | 71,532 | 6,917,829 | 602,635 | 575,207 | 6,352,390 |
| Hungary | 770,353 | 2,928,747 | 2,127,614 | 801,133 | 19,797,932 | 10,212,238 | 7,774,411 | 9,838,792 |
| Ireland | 4,691,974 | 390,511,821 | 376,586,216 | 13,925,605 | 523,979,752 | 97,944,622 | 50,184,798 | 428,586,697 |
| Italy | 194,128 | 6,059,149 | 4,562,821 | 1,496,327 | 59,817,797 | 17,416,270 | 14,976,383 | 42,926,769 |
| Luxembourg | 7,153,798 | 163,960,177 | 130,701,366 | 33,258,811 | 385,154,591 | 110,564,839 | 93,571,586 | 290,613,928 |
| Netherlands | 9,555,850 | 393,076,351 | 345,827,999 | 47,248,352 | 524,455,849 | 191,126,924 | 160,742,337 | 375,173,426 |
| Poland | 173,727 | 4,294,516 | 3,750,589 | 543,927 | 27,989,911 | 8,712,350 | 7,653,788 | 19,738,269 |
| Portugal (including Azores) | 70,607 | 801,332 | 633,321 | 168,011 | 8,233,975 | 2,152,717 | 1,450,060 | 6,119,918 |
| Romania | 15,460 | -126,254 | -169,187 | 42,933 | 7,407,369 | 2,757,082 | 2,418,239 | 4,667,498 |

Footnotes at end of table.

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Selected country of incorporation of controlled foreign corporation | Controlled foreign corporations—continued | | | | | | | |
|---|---|--|--|--|---------------------------------------|----------------------------|---|--------------------|
| | Total Subpart F income | End of year accumulated earnings and profits (E&P) | | | Receipts by foreign corporations from | | | |
| | | Total section 964(a) E&P | Total not previously taxed E&P (post-86 & pre-87 section 959(c)(3) balances) | Total previously taxed E&P (sections 959(c)(1) & (2) balances) | All sources | All related parties, total | Any foreign corporations controlled by U.S. corporation filing return | Unrelated parties |
| | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) |
| Spain (including Canary Isles) | 241,487 | 16,102,489 | 14,196,638 | 1,905,850 | 73,480,882 | 22,398,871 | 18,595,623 | 51,296,528 |
| Sweden | 904,739 | 10,711,656 | 9,139,487 | 1,572,170 | 41,588,804 | 14,309,967 | 12,560,669 | 27,460,283 |
| United Kingdom and Northern Ireland (including Gibraltar) | 5,678,387 | 102,471,342 | 75,028,112 | 27,443,230 | 619,250,188 | 141,871,367 | 95,344,976 | 492,069,859 |
| Other European Union countries | 55,577 | 6,158,754 | 4,979,277 | 1,179,477 | 13,626,201 | 5,495,296 | 5,035,918 | 8,316,902 |
| Other European countries, total | 7,330,349 | 240,513,826 | 218,116,578 | 22,397,248 | 440,271,496 | 166,475,068 | 128,861,088 | 277,510,220 |
| Norway | 240,661 | 2,687,811 | 2,466,369 | 221,442 | 18,185,339 | 7,034,723 | 6,477,992 | 11,176,876 |
| Russia | 40,374 | 7,440,081 | 7,303,880 | 136,200 | 40,001,230 | 11,986,113 | 11,154,684 | 28,078,339 |
| Switzerland | 6,857,611 | 218,751,939 | 198,415,721 | 20,336,219 | 365,810,261 | 142,335,290 | 106,858,496 | 226,749,494 |
| Other European countries | 191,703 | 11,633,994 | 9,930,607 | 1,703,387 | 16,274,666 | 5,118,942 | 4,369,916 | 11,505,511 |
| Africa, total | 319,278 | 14,229,275 | 12,796,426 | 1,432,849 | 74,542,634 | 14,227,175 | 9,196,660 | 60,855,499 |
| Eastern Africa, total | 218,546 | 2,635,388 | 1,610,046 | 1,025,343 | 8,656,129 | 2,636,083 | 2,238,115 | 6,360,429 |
| Southern Africa, total | 64,771 | 5,046,917 | 4,815,077 | 231,840 | 43,274,068 | 4,453,916 | 2,993,990 | 38,972,724 |
| Other African countries | 35,960 | 6,546,970 | 6,371,304 | 175,666 | 22,612,437 | 7,137,175 | 3,964,556 | 15,522,346 |
| Asia, total | 6,111,352 | 271,647,290 | 247,165,974 | 24,481,316 | 1,303,369,613 | 405,391,208 | 236,481,751 | 907,422,880 |
| Central, Western, and Southern Asia, total | 1,082,901 | 34,662,380 | 31,436,133 | 3,226,247 | 151,557,485 | 62,535,076 | 24,446,429 | 90,065,499 |
| India | 358,304 | 21,549,238 | 20,161,265 | 1,387,973 | 69,854,297 | 28,042,932 | 9,743,419 | 42,318,817 |
| Israel | 242,453 | 4,829,016 | 3,891,353 | 937,662 | 21,651,753 | 12,451,137 | 3,664,374 | 9,604,957 |
| Turkey | 71,252 | 2,063,260 | 1,992,032 | 71,229 | 28,852,391 | 9,696,828 | 9,173,690 | 19,245,196 |
| Other Central and Southern Asian countries | 410,892 | 6,220,866 | 5,391,483 | 829,383 | 31,199,045 | 12,344,179 | 1,864,945 | 18,896,528 |
| Eastern Asia, total | 3,837,533 | 136,085,975 | 118,986,728 | 17,099,247 | 786,588,627 | 199,975,331 | 127,589,224 | 591,514,281 |
| China, Peoples Republic of | 464,621 | 37,901,195 | 36,003,140 | 1,898,056 | 242,116,319 | 84,804,276 | 49,332,261 | 159,606,995 |
| Hong Kong | 1,811,265 | 27,431,978 | 22,308,846 | 5,123,131 | 73,928,447 | 26,678,878 | 14,510,816 | 48,229,091 |
| Japan (including Okinawa and Ryukyu Islands) | 858,429 | 33,571,078 | 26,194,720 | 7,376,358 | 311,374,973 | 57,009,419 | 43,947,456 | 255,803,953 |
| Korea, Republic of South | 557,312 | 30,385,511 | 28,081,227 | 2,304,284 | 122,347,200 | 22,430,339 | 16,313,959 | 100,009,300 |
| Other Eastern Asian countries | 145,907 | 6,796,213 | 6,398,795 | 397,418 | 36,821,688 | 9,052,418 | 3,484,731 | 27,864,943 |
| Southeastern Asia, total | 1,190,918 | 100,898,935 | 96,743,113 | 4,155,822 | 365,223,501 | 142,880,801 | 84,446,098 | 225,843,100 |
| Malaysia | 89,147 | 11,382,875 | 11,056,093 | 326,782 | 36,453,777 | 17,328,255 | 7,493,153 | 19,765,361 |
| Philippines | 57,797 | 4,053,163 | 3,728,539 | 324,623 | 21,339,723 | 10,222,209 | 4,166,528 | 11,330,591 |
| Singapore | 949,634 | 72,045,369 | 69,002,361 | 3,043,007 | 240,831,808 | 95,921,654 | 61,968,198 | 147,230,745 |
| Thailand | 58,646 | 5,793,964 | 5,401,445 | 392,519 | 39,878,836 | 10,303,156 | 7,620,658 | 29,826,811 |
| Other Southeastern Asian countries | 35,694 | 7,623,565 | 7,554,674 | 68,891 | 26,719,356 | 9,105,527 | 3,197,560 | 17,689,593 |
| Oceania, total | 1,592,535 | 69,326,579 | 63,770,893 | 5,555,686 | 215,541,857 | 31,381,074 | 25,237,761 | 185,838,584 |
| Australia | 1,291,777 | 64,835,390 | 60,948,475 | 3,886,914 | 200,665,164 | 29,357,073 | 23,589,492 | 172,950,487 |
| Other countries of Oceania | 300,758 | 4,491,190 | 2,822,418 | 1,668,772 | 14,876,693 | 2,024,001 | 1,648,269 | 12,888,097 |
| Puerto Rico and U.S. Possessions, total | 166,701 | 31,643,293 | 31,032,084 | 611,210 | 32,547,687 | 13,901,470 | 1,353,117 | 18,710,277 |
| OPEC countries, total (countries included above) | 379,646 | 12,985,139 | 11,730,444 | 1,254,694 | 54,417,144 | 17,033,901 | 3,700,121 | 37,452,967 |

Footnotes at end of table.

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Selected country of incorporation of controlled foreign corporation | Controlled foreign corporations—continued | | | | | |
|---|---|----------------------------|---|----------------------|---|---|
| | Payments by foreign corporations to | | | | Dividends received from foreign corporations or partnerships controlled by U.S. corporation filing return | Dividends paid to foreign corporations or partnerships controlled by U.S. corporation filing return |
| | All recipients | All related parties, total | Any foreign corporations controlled by U.S. corporation filing return | Unrelated parties | | |
| | (25) | (26) | (27) | (28) | (29) | (30) |
| All geographic regions | 6,393,043,660 | 2,077,281,324 | 1,250,804,663 | 4,355,052,140 | 253,793,092 | 313,153,682 |
| Latin America, total | 571,643,008 | 140,982,221 | 77,411,992 | 432,357,033 | 13,982,718 | 21,025,362 |
| Mexico | 251,682,669 | 71,963,371 | 38,334,666 | 180,668,427 | 9,635,799 | 12,130,524 |
| Central America and Caribbean countries, total | 28,849,971 | 10,671,764 | 5,583,989 | 18,344,685 | 720,919 | 430,108 |
| Panama (including Canal Zone) | 7,641,561 | 4,029,362 | 1,492,129 | 3,663,377 | 618,386 | 197,627 |
| Other Central American and Caribbean countries | 21,208,410 | 6,642,402 | 4,091,860 | 14,681,308 | 102,533 | 232,481 |
| South America, total | 291,110,368 | 58,347,085 | 33,493,338 | 233,343,922 | 3,626,000 | 8,464,730 |
| Argentina | 36,697,432 | 5,437,821 | 2,017,707 | 31,277,748 | 41,527 | 108,406 |
| Brazil | 159,836,876 | 33,594,399 | 19,826,809 | 126,616,958 | 2,190,059 | 5,517,984 |
| Chile | 41,822,364 | 8,197,132 | 5,384,068 | 33,697,755 | 1,214,066 | 1,826,292 |
| Colombia | 17,662,479 | 3,205,115 | 1,536,617 | 14,484,707 | 76,200 | 198,863 |
| Peru | 8,809,601 | 2,164,830 | 1,354,579 | 6,692,425 | * 77,619 | 171,035 |
| Uruguay | 3,419,575 | 955,655 | 544,355 | 2,489,051 | 0 | * 126,167 |
| Venezuela | 15,529,036 | 3,587,232 | 2,084,654 | 11,956,083 | * 26,157 | 453,656 |
| Other South American countries | 7,333,005 | 1,204,902 | 744,549 | 6,129,194 | * 372 | 62,327 |
| Other Western Hemisphere, total | 1,275,968,789 | 391,974,555 | 188,572,932 | 898,779,465 | 51,723,212 | 77,949,908 |
| Bahamas | 41,440,119 | 21,021,855 | 8,118,494 | 20,504,936 | * 13,885,267 | * 325,545 |
| Bermuda | 235,922,870 | 123,375,504 | 75,556,080 | 125,073,264 | 21,906,393 | 54,162,161 |
| British Virgin Islands | 28,915,216 | 13,897,518 | 4,223,403 | 15,065,437 | 235,808 | 411,018 |
| Canada | 635,254,249 | 145,320,062 | 57,419,309 | 491,000,823 | 7,153,604 | 13,615,787 |
| Cayman Islands | 324,920,201 | 84,889,280 | 42,613,471 | 241,032,477 | 8,472,918 | 9,327,600 |
| Other Western Hemisphere countries | 9,516,134 | 3,470,337 | 642,176 | 6,102,529 | 69,222 | 107,797 |
| Europe, total | 2,973,251,087 | 1,019,254,381 | 669,394,187 | 1,970,708,310 | 167,205,263 | 162,756,163 |
| European Union, total | 2,569,143,481 | 831,870,082 | 550,434,171 | 1,752,220,112 | 160,235,370 | 150,799,679 |
| Austria | 12,944,850 | 4,214,841 | 3,326,514 | 8,770,438 | 137,285 | 327,435 |
| Belgium | 53,741,456 | 23,732,465 | 17,134,405 | 30,214,654 | 907,761 | 1,757,243 |
| Cyprus | 2,792,032 | 824,959 | 389,698 | 1,971,786 | * 51,366 | * 41,781 |
| Czech Republic | 16,459,883 | 4,735,345 | 3,923,439 | 11,772,046 | * 14,934 | 433,509 |
| Denmark | 16,078,433 | 4,631,150 | 3,600,394 | 11,494,177 | 224,190 | 170,998 |
| Finland | 6,371,624 | 2,251,080 | 1,799,603 | 4,128,609 | 24,466 | 198,850 |
| France (including Corsica, Guadeloupe, Martinique, and Reunion) | 136,864,135 | 44,421,979 | 34,267,545 | 92,637,773 | 3,831,808 | 6,312,636 |
| Germany | 230,747,040 | 61,402,686 | 46,594,642 | 170,030,921 | 6,850,979 | 8,444,371 |
| Greece | 7,117,689 | 2,213,771 | 2,070,793 | 4,908,963 | * 49,189 | 62,807 |
| Hungary | 25,091,148 | 9,536,552 | 8,115,940 | 15,847,528 | 1,805,677 | 4,060,210 |
| Ireland | 358,564,344 | 109,956,105 | 56,002,830 | 250,915,588 | 3,103,065 | 7,294,646 |
| Italy | 60,120,593 | 22,793,440 | 19,363,515 | 38,061,355 | 1,346,573 | 3,265,553 |
| Luxembourg | 365,678,907 | 140,010,288 | 95,234,085 | 229,003,717 | 32,026,024 | 35,762,009 |
| Netherlands | 513,563,469 | 191,900,033 | 120,539,772 | 325,529,096 | 83,854,749 | 48,562,309 |
| Poland | 27,304,186 | 7,909,481 | 6,422,224 | 20,222,718 | 91,853 | 448,162 |
| Portugal (including Azores) | 8,322,478 | 2,675,444 | 2,249,066 | 5,758,086 | 163,746 | 526,966 |
| Romania | 7,481,977 | 2,255,508 | 1,905,492 | 5,252,119 | * 759 | 142,363 |

Footnotes at end of table.

Table 2. U.S. Corporations and Their Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income, and Related Party Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation, Tax Year 2012—Continued

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

| Selected country of incorporation of controlled foreign corporation | Controlled foreign corporations—continued | | | | | |
|---|---|----------------------------|---|--------------------|---|---|
| | Payments by foreign corporations to | | | | Dividends received from foreign corporations or partnerships controlled by U.S. corporation filing return | Dividends paid to foreign corporations or partnerships controlled by U.S. corporation filing return |
| | All recipients | All related parties, total | Any foreign corporations controlled by U.S. corporation filing return | Unrelated parties | | |
| | (25) | (26) | (27) | (28) | (29) | (30) |
| Spain (including Canary Isles) | 72,374,139 | 25,649,877 | 19,546,007 | 46,790,504 | 1,204,298 | 2,456,746 |
| Sweden | 39,358,455 | 16,988,634 | 13,136,741 | 22,461,898 | 779,833 | 1,793,131 |
| United Kingdom and Northern Ireland (including Gibraltar) | 596,724,711 | 150,219,635 | 91,616,163 | 448,386,374 | 22,493,670 | 28,269,621 |
| Other European Union countries | 11,441,932 | 3,546,810 | 3,195,304 | 8,061,762 | 1,273,145 | 468,333 |
| Other European countries, total | 404,107,606 | 187,384,298 | 118,960,017 | 218,488,198 | 6,969,893 | 11,956,483 |
| Norway | 13,990,398 | 5,033,959 | 2,813,999 | 8,969,265 | * 48,156 | 268,196 |
| Russia | 37,899,557 | 13,647,474 | 11,964,169 | 24,437,562 | * 21,276 | 1,071,947 |
| Switzerland | 336,768,618 | 163,723,784 | 100,834,609 | 174,584,684 | 6,636,538 | 10,280,633 |
| Other European countries | 15,449,034 | 4,979,080 | 3,347,239 | 10,496,688 | 263,923 | 335,707 |
| Africa, total | 70,829,572 | 19,271,474 | 9,224,366 | 51,798,065 | 1,033,803 | 1,162,783 |
| Eastern Africa, total | 8,167,137 | 2,681,878 | 1,394,701 | 5,620,976 | 651,038 | 499,484 |
| Southern Africa, total | 42,101,884 | 10,568,360 | 4,803,357 | 31,605,835 | 379,540 | 537,108 |
| Other African countries | 20,560,551 | 6,021,236 | 3,026,307 | 14,571,254 | * 3,225 | 126,191 |
| Asia, total | 1,274,159,994 | 446,081,621 | 268,524,926 | 833,391,883 | 14,540,163 | 43,170,876 |
| Central, Western, and Southern Asia, total | 149,756,375 | 44,622,954 | 26,330,348 | 106,217,785 | 221,370 | 9,664,810 |
| India | 63,930,186 | 11,016,937 | 7,175,496 | 53,718,398 | * 29,932 | 491,889 |
| Israel | 27,507,603 | 13,239,981 | 11,476,376 | 14,330,645 | 150,579 | 7,980,416 |
| Turkey | 28,540,978 | 5,136,558 | 4,219,146 | 23,524,704 | * 19,331 | 627,840 |
| Other Central and Southern Asian countries | 29,777,608 | 15,229,478 | 3,459,331 | 14,644,038 | * 21,528 | 564,666 |
| Eastern Asia, total | 775,347,137 | 255,488,359 | 161,923,597 | 521,486,948 | 8,816,195 | 21,794,956 |
| China, Peoples Republic of | 236,049,121 | 68,820,752 | 48,078,077 | 168,058,607 | 2,300,545 | 5,169,673 |
| Hong Kong | 72,701,626 | 29,279,891 | 15,620,480 | 43,586,505 | 3,348,785 | 3,684,864 |
| Japan (including Okinawa and Ryukyu Islands) | 306,412,614 | 98,092,095 | 58,253,392 | 208,907,897 | 2,615,239 | 5,116,159 |
| Korea, Republic of South | 122,349,212 | 44,385,144 | 30,802,693 | 77,985,233 | 467,587 | 3,776,976 |
| Other Eastern Asian countries | 37,834,564 | 14,910,478 | 9,168,955 | 22,948,706 | 84,039 | 4,047,285 |
| Southeastern Asia, total | 349,056,482 | 145,970,308 | 80,270,981 | 205,687,150 | 5,502,598 | 11,711,110 |
| Malaysia | 35,236,070 | 16,175,449 | 7,966,141 | 19,342,963 | 191,990 | 854,618 |
| Philippines | 20,959,516 | 8,341,812 | 2,504,696 | 12,683,391 | 224,045 | 552,867 |
| Singapore | 229,323,194 | 94,861,869 | 55,419,853 | 136,484,410 | 5,017,925 | 7,829,565 |
| Thailand | 38,731,348 | 18,730,247 | 7,521,898 | 20,134,055 | 39,532 | 273,845 |
| Other Southeastern Asian countries | 24,806,355 | 7,860,931 | 6,858,392 | 17,042,331 | * 29,106 | 2,200,213 |
| Oceania, total | 202,184,233 | 50,915,749 | 36,601,474 | 151,797,041 | 5,119,182 | 6,811,972 |
| Australia | 186,772,546 | 46,281,616 | 33,013,312 | 140,986,969 | 4,839,071 | 6,204,010 |
| Other countries of Oceania | 15,411,687 | 4,634,133 | 3,588,162 | 10,810,072 | 280,111 | 607,961 |
| Puerto Rico and U.S. Possessions, total | 25,006,977 | 8,801,325 | 1,074,785 | 16,220,341 | * 188,753 | 276,619 |
| OPEC countries, total (countries included above) | 49,474,352 | 20,787,600 | 5,400,519 | 28,787,237 | 43,206 | 822,705 |

[1] Number of returns is not additive because some U.S. corporations had controlled foreign corporations in more than one country.

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

SOURCE: IRS, Statistics of Income Division, Controlled Foreign Corporations, September 2015.

Table 3. Controlled Foreign Corporations and Their Foreign Disregarded Entities: Number, End-of-Year Total Assets, and Current Earnings and Profits (Less Deficit) After Income Taxes, by Selected Country of Incorporation, Tax Year 2012

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

| Selected country of incorporation of controlled foreign corporation (CFC) and foreign disregarded entity (FDE) | Number of foreign entities | End-of-year total assets | Current earnings and profits (less deficit) after taxes |
|--|----------------------------|--------------------------|---|
| | (1) | (2) | (3) |
| Austria: CFCs | 508 | 18,503,117 | 534,080 |
| All FDEs | 50 | 3,453,795 | 110,923 |
| Austria | 21 | 978,599 | 102,549 |
| Other countries | 29 | 2,475,196 | 8,375 |
| Bahamas: CFCs | 336 | 174,256,436 | 20,191,681 |
| All FDEs | 125 | 73,083,925 | 1,946,054 |
| Bahamas | 57 | 9,157,915 | 1,148,884 |
| Other countries | 68 | 63,926,011 | 797,169 |
| Belgium: CFCs | 1,081 | 184,357,096 | 4,266,483 |
| All FDEs | 120 | 23,483,235 | 1,058,896 |
| Belgium | 29 | 2,476,145 | -30,402 |
| Other countries | 91 | 21,007,090 | 1,089,298 |
| Bermuda: CFCs | 863 | 822,029,326 | 90,426,284 |
| All FDEs | 1,749 | 555,132,064 | 36,358,787 |
| Bermuda | 149 | 141,839,707 | 14,208,933 |
| Other countries | 1,600 | 413,292,357 | 22,149,854 |
| British Virgin Islands: CFCs | 410 | 61,854,720 | 5,328,052 |
| All FDEs | 201 | 19,037,121 | 1,697,704 |
| British Virgin Islands | 29 | 942,789 | -15,253 |
| Other countries | 172 | 18,094,332 | 1,712,957 |
| Canada: CFCs | 7,195 | 1,160,532,534 | 36,882,309 |
| All FDEs | 644 | 251,422,448 | 5,733,522 |
| Canada | 349 | 163,772,828 | 4,413,814 |
| Other countries | 295 | 87,649,620 | 1,319,709 |
| Cayman Islands: CFCs | 1,783 | 733,040,879 | 27,577,969 |
| All FDEs | 2,149 | 438,130,771 | 21,527,945 |
| Cayman Islands | 334 | 82,739,981 | 11,663,036 |
| Other countries | 1,815 | 355,390,790 | 9,864,909 |
| China: CFCs | 5,988 | 243,460,611 | 11,800,388 |
| All FDEs | 257 | 18,078,841 | 2,126,402 |
| China | 197 | 10,675,791 | 1,130,123 |
| Other countries | 60 | 7,403,050 | 996,280 |
| Denmark: CFCs | 678 | 56,770,329 | 2,565,848 |
| All FDEs | 108 | 23,467,802 | 333,269 |
| Denmark | 39 | 17,486,714 | 203,600 |
| Other countries | 68 | 5,981,088 | 129,669 |
| France (including Corsica, Guadeloupe, Martinique, and Reunion): CFCs | 3,116 | 262,476,770 | 7,828,330 |
| All FDEs | 392 | 58,770,778 | 795,197 |
| France (including Corsica, Guadeloupe, Martinique, and Reunion) | 307 | 49,822,160 | 576,995 |
| Other countries | 85 | 8,948,618 | 218,201 |
| Hong Kong: CFCs | 2,630 | 143,193,881 | 7,799,844 |
| All FDEs | 472 | 47,089,245 | 1,295,416 |
| Hong Kong | 135 | 15,606,848 | 493,910 |
| Other countries | 338 | 31,482,398 | 801,506 |
| Ireland: CFCs | 1,199 | 1,273,928,131 | 125,343,820 |
| All FDEs | 1,328 | 486,655,186 | 80,142,448 |
| Ireland | 347 | 350,118,992 | 70,249,729 |
| Other countries | 981 | 136,536,195 | 9,892,719 |
| Israel: CFCs | 846 | 55,586,513 | 2,683,497 |
| All FDEs | 35 | 10,441,860 | 221,275 |
| Israel | 20 | 6,691,745 | 216,868 |
| Other countries | 15 | 3,750,115 | 4,407 |
| Italy: CFCs | 1,465 | 110,478,453 | 2,184,978 |
| All FDEs | 73 | 15,907,073 | 633,034 |
| Italy | 54 | 14,371,464 | 639,670 |
| Other countries | 19 | 1,535,610 | -6,636 |

Footnotes at end of table.

Table 3. Controlled Foreign Corporations and Their Foreign Disregarded Entities: Number, End-of-Year Total Assets, and Current Earnings and Profits (Less Deficit) After Income Taxes, by Selected Country of Incorporation, Tax Year 2012—Continued

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

| Selected country of incorporation of controlled foreign corporation (CFC) and foreign disregarded entity (FDE) | Number of foreign entities | End-of-year total assets | Current earnings and profits (less deficit) after taxes |
|---|----------------------------|-----------------------------|---|
| | (1) | (2) | (3) |
| Luxembourg: CFCs | 1,195 | 1,883,419,368 | 57,517,278 |
| All FDEs | 3,061 | 1,038,000,265 | 31,233,278 |
| Luxembourg | 293 | 364,082,498 | 2,212,993 |
| Other countries | 2,767 | 673,917,767 | 29,020,285 |
| Mauritius: CFCs | 383 | 30,288,916 | 601,564 |
| All FDEs | 77 | 7,870,873 | 95,718 |
| Mauritius | 15 | 3,208,996 | 4,153 |
| Other countries | 62 | 4,661,877 | 91,565 |
| Netherlands: CFCs | 3,690 | 2,456,586,231 | 140,785,217 |
| All FDEs | 4,945 | 1,311,386,505 | 33,180,468 |
| Netherlands | 1,073 | 478,606,344 | 22,703,734 |
| Other countries | 3,873 | 832,780,161 | 10,476,734 |
| Panama (including Canal Zone): CFCs | 366 | 12,674,098 | 690,987 |
| All FDEs | 43 | 1,055,279 | -41,479 |
| Panama (including Canal Zone): CFCs | 11 | 84,867 | 618 |
| Other countries | 32 | 970,412 | -42,097 |
| Portugal (including Azores): CFCs | 393 | 9,196,503 | 313,008 |
| All FDEs | 24 | 170,028 | -2,279 |
| Portugal (including Azores) | 16 | 56,920 | -2,261 |
| Other countries | 8 | 113,108 | -18 |
| Singapore: CFCs | 2,111 | 301,429,064 | 19,427,376 |
| All FDEs | 410 | 117,893,916 | 8,013,478 |
| Singapore | 104 | 49,291,095 | 4,593,258 |
| Other countries | 306 | 68,602,821 | 3,420,220 |
| Spain (including Canary Isles): CFCs | 1,567 | 122,055,006 | 3,935,381 |
| All FDEs | 230 | 19,612,695 | 872,709 |
| Spain (including Canary Isles) | 56 | 4,287,661 | 78,315 |
| Other countries | 174 | 15,325,034 | 794,393 |
| Sweden: CFCs | 943 | 136,653,598 | 3,812,243 |
| All FDEs | 269 | 25,630,180 | 326,740 |
| Sweden | 152 | 17,248,446 | 22,800 |
| Other countries | 117 | 8,381,734 | 303,940 |
| Switzerland: CFCs | 1,666 | 616,739,571 | 37,824,137 |
| All FDEs | 1,515 | 127,819,770 | 11,642,591 |
| Switzerland | 104 | 46,412,424 | 7,259,404 |
| Other countries | 1,411 | 81,407,346 | 4,383,186 |
| United Kingdom and Northern Ireland (including Gibraltar): CFCs | 9,025 | 3,924,675,565 | 47,265,450 |
| All FDEs | 2,651 | 2,024,762,707 | 27,236,617 |
| United Kingdom and Northern Ireland (including Gibraltar) | 1,596 | 1,726,533,778 | 21,960,294 |
| Other countries | 1,055 | 298,228,929 | 5,276,323 |

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

SOURCE: IRS, Statistics of Income Division, Controlled Foreign Corporations, August 2018.

Table 4. Controlled Foreign Corporations and Their Foreign Disregarded Entities: Number, End-of-Year Total Assets, and Current Earnings and Profits (Less Deficit) After Income Taxes, by Selected Industrial Sector, Tax Year 2012

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

| Selected industrial sector of controlled foreign corporation (CFC) and foreign disregarded entity (FDE) | Number of foreign entities | End-of-year total assets | Current earnings and profits (less deficit) after taxes |
|--|-------------------------------|--------------------------|---|
| | (1) | (2) | (3) |
| All industries: CFCs | 88,038 | 18,596,353,104 | 793,311,339 |
| All industries: FDEs | 23,538 | 7,277,316,988 | 278,499,176 |
| Raw materials and energy production | 1,529 | 308,725,276 | 23,864,211 |
| Goods production | 4,960 | 784,375,792 | 53,123,751 |
| Distribution and transportation of goods | 4,123 | 542,183,948 | 76,724,393 |
| Information | 1,563 | 336,614,464 | 2,438,211 |
| Finance, insurance, real estate, and rental and leasing | 2,640 | 2,273,294,108 | 20,172,210 |
| Services | 8,340 | 3,018,437,434 | 101,133,980 |
| Nature of business not allocable | 382 | 13,685,966 | 1,042,420 |
| Raw materials and energy production: CFCs | 2,708 | 646,380,925 | 47,346,562 |
| All industries: FDEs | 1,164 | 211,010,569 | 19,136,901 |
| Raw materials and energy production | 1,027 | 176,542,162 | 14,605,599 |
| Goods production | 11 | 1,170,090 | -16,477 |
| Distribution and transportation of goods | d | d | d |
| Information | 0 | 0 | 0 |
| Finance, insurance, real estate, and rental and leasing | 31 | 5,858,271 | 458,714 |
| Services | 82 | 24,004,026 | 3,286,305 |
| Nature of business not allocable | d | d | d |
| Goods production: CFCs | 21,182 | 2,681,463,250 | 213,925,005 |
| All industries: FDEs | 5,049 | 1,160,838,224 | 105,316,076 |
| Raw materials and energy production | 67 | 9,271,864 | 93,731 |
| Goods production | 2,431 | 365,690,500 | 26,952,829 |
| Distribution and transportation of goods | 876 | 156,150,213 | 60,717,972 |
| Information | 51 | 3,651,861 | 27,197 |
| Finance, insurance, real estate, and rental and leasing | 194 | 186,932,966 | -93,873 |
| Services | 1,344 | 435,523,736 | 17,565,590 |
| Nature of business not allocable | 86 | 3,617,085 | 52,630 |
| Distribution and transportation of goods: CFCs | 17,437 | 1,321,903,932 | 99,304,188 |
| All industries: FDEs | 2,590 | 504,181,464 | 32,148,661 |
| Raw materials and energy production | 43 | 4,421,128 | -24,479 |
| Goods production | 322 | 68,115,773 | 9,825,374 |
| Distribution and transportation of goods | 1,480 | 132,214,429 | 7,710,823 |
| Information | 26 | 2,807,849 | 917,820 |
| Finance, insurance, real estate, and rental and leasing | 117 | 123,711,912 | 1,215,972 |
| Services | 562 | 172,120,580 | 12,480,622 |
| Nature of business not allocable | 40 | 789,793 | 22,529 |
| Information: CFCs | 5,215 | 489,358,279 | 17,015,310 |
| All industries: FDEs | 1,039 | 320,504,765 | 2,453,068 |
| Raw materials and energy production | 0 | 0 | 0 |
| Goods production | d | d | d |
| Distribution and transportation of goods | 50 | 561,117 | 4,090 |
| Information | 658 | 236,244,772 | -177,642 |
| Finance, insurance, real estate, and rental and leasing | 19 | 8,131,047 | 47,456 |
| Services | 277 | 67,247,657 | 2,330,735 |
| Nature of business not allocable | d | d | d |

Footnotes at end of table.

Table 4. Controlled Foreign Corporations and Their Foreign Disregarded Entities: Number, End-of-Year Total Assets, and Current Earnings and Profits (Less Deficit) After Income Taxes, by Selected Industrial Sector, Tax Year 2012—Continued

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

| Selected industrial sector of controlled foreign corporation (CFC) and foreign disregarded entity (FDE) | Number of foreign entities | End-of-year total assets | Current earnings and profits (less deficit) after taxes |
|--|-------------------------------|--------------------------|---|
| | (1) | (2) | (3) |
| Finance, insurance, real estate, and rental and leasing: CFCs | 9,797 | 6,313,205,638 | 90,134,082 |
| All industries: FDEs | 2,017 | 1,710,001,436 | 20,771,411 |
| Raw materials and energy production | 36 | 6,239,264 | 188,227 |
| Goods production | 113 | 6,179,272 | 272,569 |
| Distribution and transportation of goods | 76 | 26,839,476 | 954,251 |
| Information | 58 | 5,344,757 | -287,564 |
| Finance, insurance, real estate, and rental and leasing | 1,312 | 1,509,247,579 | 8,741,432 |
| Services | 408 | 156,123,627 | 10,893,784 |
| Nature of business not allocable | 14 | 27,461 | 8,711 |
| Services: CFCs | 31,649 | 7,143,977,619 | 325,597,349 |
| All industries: FDEs | 11,664 | 3,370,498,979 | 98,659,657 |
| Raw materials and energy production | 356 | 112,250,859 | 9,001,132 |
| Goods production | 2,076 | 335,279,943 | 15,829,264 |
| Distribution and transportation of goods | 1,637 | 225,250,194 | 6,513,772 |
| Information | 769 | 88,565,225 | 1,958,401 |
| Finance, insurance, real estate, and rental and leasing | 962 | 439,272,901 | 9,790,848 |
| Services | 5,661 | 2,163,347,583 | 54,594,444 |
| Nature of business not allocable | 203 | 6,532,275 | 971,797 |

d—Not shown to avoid disclosure of information on specific corporations. However, the data are included in the appropriate totals.

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

SOURCE: IRS, Statistics of Income Division, Controlled Foreign Corporations, August 2018.



SOI BULLETIN

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Inside This Issue

High-Income Tax Returns for Tax Year 2015

2

by Justin Bryan

Detailed data on individual income tax returns with adjusted gross income or expanded income greater than \$200,000 are now available on SOI's Tax Stats Web page. This annual study also looks at high-income, nontaxable returns (HINTs) and the reason for nontaxability. For 2015, there were almost 6.8 million individual income tax returns with an expanded income of \$200,000 or more, accounting for 4.5 percent of all returns for the year. Of these, 10,947 returns had no worldwide income tax liability. This was a 12.9-percent increase over the number of returns with no worldwide income tax liability for 2014, and the first increase after 5 years of decreases.

Partnership Returns, Tax Year 2016

58

by Ron DeCarlo and Nina Shumofsky

The number of partnerships in the United States continued to increase for Tax Year 2016. Partnerships filed more than 3.7 million returns for the year, representing more than 28 million partners. The real estate and leasing sector contained almost half of all partnerships (49.9 percent) and over a quarter of all partners (29.7 percent).



High-Income Tax Returns for Tax Year 2015

by Justin Bryan

For Tax Year 2015, there were almost 6.8 million individual income tax returns with an expanded income of \$200,000 or more, accounting for 4.5 percent of all returns filed for the year.¹ Of these, 10,947 returns had no worldwide income tax liability. This was a 12.9-percent increase over the number of returns with no worldwide income tax liability for 2014, and the first increase after 5 years of decreases. This article presents detailed data for high-income returns for 2015 and summary data for the period 1977 to 2014. Detailed data for the years 1974 through 2014 were published previously. (See the References section for more details.)

Income and Tax Concepts

Two income concepts are used in this article to classify tax returns as high income: the statutory concept of adjusted gross

income (AGI) and the “expanded income” concept. The expanded income concept includes items reported on the tax return to obtain a more comprehensive measure of income than AGI. Specifically, expanded income is AGI *plus* tax-exempt interest, nontaxable Social Security benefits, the foreign-earned income exclusion, and items of “tax preference” for alternative minimum tax (AMT) purposes *less* unreimbursed employee business expenses, moving expenses, investment interest expense to the extent it does not exceed investment income, and miscellaneous itemized deductions not subject to the 2-percent-of-AGI floor.^{2, 3, 4}

AGI and expanded income differed for 45.0 million (29.9 percent) of the 150.5 million individual income tax returns filed for 2015 (Figure A). Expanded income exceeded AGI in two-thirds of these returns. The average difference between

Figure A

Returns With Positive, Zero, or Negative U.S. Income Tax: Differences Between Adjusted Gross Income and Expanded Income, by Size of Adjusted Gross Income, Tax Year 2015

[Money amounts are in whole dollars]

| Returns by tax status, size of AGI | All returns | Number of returns with difference between AGI and expanded income | Average difference of expanded income minus AGI | Median difference of expanded income minus AGI | Number of returns where expanded income is greater than AGI | Number of returns where AGI is greater than expanded income |
|--|--------------------|--|---|--|--|--|
| | (1) | (2) | (3) | (4) | (5) | (6) |
| All returns | 150,493,263 | 44,996,823 | 6,361 | 3,552 | 30,245,775 | 14,751,048 |
| Under \$50,000 [1] | 92,406,915 | 19,776,452 | 13,683 | 14,195 | 16,759,741 | 3,016,711 |
| \$50,000 under \$100,000 | 32,801,909 | 12,594,148 | 688 | 1,364 | 7,317,681 | 5,276,466 |
| \$100,000 under \$200,000 | 18,532,593 | 8,971,748 | -423 | -250 | 4,143,196 | 4,828,552 |
| \$200,000 or more | 6,751,845 | 3,654,476 | 2,948 | 287 | 2,025,157 | 1,629,319 |
| Returns with positive U.S. income tax | 99,040,729 | 33,810,895 | 3,268 | 1,947 | 20,522,230 | 13,288,664 |
| Under \$50,000 [1] | 42,651,418 | 9,269,898 | 10,087 | 11,180 | 7,317,062 | 1,952,835 |
| \$50,000 under \$100,000 | 31,246,190 | 12,000,093 | 807 | 1,480 | 7,093,559 | 4,906,533 |
| \$100,000 under \$200,000 | 18,402,358 | 8,893,133 | -488 | -251 | 4,090,602 | 4,802,531 |
| \$200,000 or more | 6,740,763 | 3,647,772 | 3,188 | 285 | 2,021,007 | 1,626,765 |
| Returns with zero U.S. income tax | 18,556,700 | 8,072,235 | 19,802 | 18,561 | 7,765,135 | 307,099 |
| Under \$50,000 [1] | 18,136,072 | 7,769,596 | 20,316 | 18,874 | 7,524,797 | 244,799 |
| \$50,000 under \$100,000 | 323,927 | 241,481 | 8,586 | 3,614 | 191,036 | 50,445 |
| \$100,000 under \$200,000 | 85,653 | 54,468 | 14,401 | 5,884 | 45,156 | 9,311 |
| \$200,000 or more | 11,047 | 6,690 | -128,051 | 5,555 | 4,146 | 2,544 |
| Returns with negative U.S. income tax | 32,895,834 | 3,113,694 | 5,106 | 7,232 | 1,958,409 | 1,155,285 |
| Under \$50,000 [1] | 31,619,425 | 2,736,958 | 7,029 | 8,928 | 1,917,881 | 819,077 |
| \$50,000 under \$100,000 | 1,231,792 | 352,574 | -8,787 | -4,982 | 33,086 | 319,488 |
| \$100,000 under \$200,000 | 44,582 | 24,148 | -9,965 | -1,650 | 7,438 | 16,710 |
| \$200,000 or more | 35 | 14 | -9,008 | -1,840 | 4 | 10 |

[1] Includes returns with adjusted gross deficit.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2018.

¹ The Tax Reform Act of 1976 requires annual publication of data on individual income tax returns reporting incomes of \$200,000 or more, including the number of such returns reporting no income tax liability and the importance of various tax provisions in making these returns nontaxable. The statutory requirement is contained in section 2123 of the Tax Reform Act of 1976 (90 Stat. at 1915).

² The definition of adjustments to AGI to obtain the expanded income given in the text is for the current year. See Appendix A for a discussion of AGI and expanded income and a list of adjustments covering all years since 1977.

³ See Notes to Appendix A, note A4.

⁴ Tax-exempt interest had to be reported on the individual income tax return starting with Tax Year 1987 and is included in expanded income starting with that year. Beginning with Tax Year 1991, tax-exempt interest was incorporated into the criteria used for sampling returns for Statistics of Income, thus increasing the reliability of the estimates of expanded income.



expanded income and AGI was \$6,361, and the median difference was \$3,552. Although expanded income is a more comprehensive measure of income than AGI, for some taxpayers the subtractions from AGI to arrive at expanded income exceeded the additions, resulting in expanded income that was less than AGI. Returns where expanded income exceeded AGI were concentrated among returns with \$50,000 or less of AGI. Returns where AGI exceeded expanded income were concentrated among returns with more than \$50,000 of AGI.

There are also two tax concepts in this article used to classify returns as taxable or nontaxable: “U.S. income tax” and “worldwide income tax.” U.S. income tax is total Federal income tax liability, which includes the AMT, less all credits against income tax, and does not include payroll or self-employment taxes. To be considered taxable, a return had to have a positive income tax liability after accounting for all credits. A nontaxable return, on the other hand, could either have a zero or negative income tax liability after accounting for all credits (including refundable credits). Since the Federal income tax applies to worldwide income and allows a credit (subject to certain limits) for income taxes paid to foreign governments, a return could be classified as nontaxable under the U.S. income tax concept

even though income taxes had been paid to a foreign government. Worldwide income tax addresses this circumstance by adding back the allowable foreign tax credit and foreign taxes paid on excluded foreign-earned income to U.S. income tax.^{5,6} The sum of these two items is believed to be a reasonable proxy for foreign taxes paid.

Figure B shows a cross-tabulation of tax returns based on whether a return has positive, zero, or negative U.S. income tax liability and whether it also has positive, zero, or negative worldwide income tax. By definition, returns with positive U.S. income tax liability have positive worldwide income tax liability; returns with zero U.S. tax liability have either positive or zero worldwide income tax liability; and returns with negative U.S. income tax liability have either positive or negative worldwide income tax liability. Just under 35 percent of the 150.5 million tax returns filed for 2015 had zero or negative U.S. income tax liability, and 96.7 percent of these returns had an AGI of \$50,000 or less—unsurprising given the progressive nature of the U.S. income tax. Only 4 out of every 1,000 returns with zero or negative U.S. income tax liability had positive worldwide income tax liability, and 40.9 percent of these returns had an AGI of \$50,000 or more.

Figure B

Returns With Positive, Zero, and Negative U.S. and Worldwide Income Tax: Number of Returns, by Size of Adjusted Gross Income, Tax Year 2015

| Returns by U.S. tax status,size of AGI | All returns | Returns with positive worldwide income tax | Returns with zero worldwide income tax | Returns with negative worldwide income tax |
|--|-------------------|--|--|--|
| | (1) | (2) | (3) | (4) |
| Returns with positive U.S. income tax | 99,040,729 | 99,040,729 | 0 | 0 |
| Under \$50,000 [1] | 42,651,418 | 42,651,418 | 0 | 0 |
| \$50,000 under \$100,000 | 31,246,190 | 31,246,190 | 0 | 0 |
| \$100,000 under \$200,000 | 18,402,358 | 18,402,358 | 0 | 0 |
| \$200,000 or more | 6,740,763 | 6,740,763 | 0 | 0 |
| Returns with zero U.S. income tax | 18,556,700 | 180,332 | 18,376,368 | 0 |
| Under \$50,000 [1] | 18,136,072 | 107,827 | 18,028,245 | 0 |
| \$50,000 under \$100,000 | 323,927 | 39,061 | 284,866 | 0 |
| \$100,000 under \$200,000 | 85,653 | 26,742 | 58,912 | 0 |
| \$200,000 or more | 11,047 | 6,702 | 4,345 | 0 |
| Returns with negative U.S. income tax | 32,895,834 | 18,000 | 0 | 32,877,834 |
| Under \$50,000 [1] | 31,619,425 | 9,335 | 0 | 31,610,090 |
| \$50,000 under \$100,000 | 1,231,792 | 6,049 | 0 | 1,225,743 |
| \$100,000 under \$200,000 | 44,582 | 2,609 | 0 | 41,973 |
| \$200,000 or more | 35 | 7 | 0 | 28 |

[1] Includes returns with adjusted gross deficit.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. and worldwide income tax.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2018.

⁵ See Appendix B for a discussion of the tax concepts. In data published for years prior to 1989, either in articles presented in the *Statistics of Income Bulletin* or in chapters in *Statistics of Income—Individual Income Tax Returns* (see Reference section), the “U.S. income tax” concept was described as “total income tax,” and the “worldwide income tax” concept was described as “modified total income tax.”

⁶ The inclusion of foreign taxes paid on excluded foreign-earned income, beginning with Tax Year 1990, represents an improvement in the worldwide income tax concept. However, it also represents a slight break in the year-to-year comparability of data for worldwide income tax. Nevertheless, the number of returns with foreign taxes paid on excluded foreign-earned income is extremely small compared to the number of returns with the foreign tax credit.

Number of High-Income Returns

For 2015, there were slightly less than 6.8 million individual income tax returns with an AGI of at least \$200,000, and nearly 6.8 million returns with an expanded income of \$200,000 or more (Figure C). The number of returns with AGI above the \$200,000 threshold increased 8.5 percent from 2014 and accounted for 4.5 percent of all returns for 2015. Similarly, the returns with expanded incomes above the \$200,000 threshold increased 8.0 percent from 2014 and accounted for 4.5 percent of all returns for 2015.

The \$200,000 threshold for high-income returns is measured in current-year (nominal) dollars. Because it is fixed in nominal terms, as time passes, more and more tax returns have had incomes exceeding this threshold simply due to inflation. Therefore, to facilitate a comparison of tax returns across time, Figure C shows what the \$200,000 threshold in 1976 would be each year after adjusting for inflation and the number and share of returns above this threshold.⁷ For Tax Year 2015, this inflation-adjusted threshold was \$833,100. Since 1977, the number of returns with AGI above this inflation-adjusted threshold has

Figure C

All Returns and Returns With Income of \$200,000 or More Measured in Current and Inflation-Adjusted Dollars, by Income Concept, Tax Years 1977–2015

| Tax year | All returns | \$200,000 income threshold measured in current dollars | | | |
|----------|-------------|--|-----------------|---|-----------------|
| | | Number of returns by income concept | | Percentage of all returns by income concept | |
| | | Adjusted gross income | Expanded income | Adjusted gross income | Expanded income |
| | (1) | (2) | (3) | (4) | (5) |
| 1977 | 86,634,640 | 53,403 | 67,580 | 0.062 | 0.078 |
| 1978 | 89,771,551 | 68,506 | 85,137 | 0.076 | 0.095 |
| 1979 | 92,694,302 | 93,731 | 122,231 | 0.101 | 0.132 |
| 1980 | 93,902,459 | 117,250 | 149,826 | 0.125 | 0.160 |
| 1981 | 95,396,123 | 138,136 | 175,092 | 0.145 | 0.184 |
| 1982 | 95,337,432 | 169,367 | 207,291 | 0.178 | 0.217 |
| 1983 | 96,321,310 | 198,608 | 249,319 | 0.206 | 0.259 |
| 1984 | 99,438,708 | 243,760 | 310,042 | 0.245 | 0.312 |
| 1985 | 101,660,287 | 296,507 | 370,340 | 0.292 | 0.364 |
| 1986 | 103,045,170 | 374,363 | 529,460 | 0.363 | 0.514 |
| 1987 | 106,996,270 | 539,967 | 557,848 | 0.505 | 0.521 |
| 1988 | 109,708,280 | 725,345 | 737,659 | 0.661 | 0.672 |
| 1989 | 112,135,673 | 786,063 | 814,152 | 0.701 | 0.726 |
| 1990 | 113,717,138 | 834,957 | 860,940 | 0.734 | 0.757 |
| 1991 | 114,730,123 | 846,707 | 892,178 | 0.738 | 0.778 |
| 1992 | 113,604,503 | 954,747 | 989,522 | 0.840 | 0.871 |
| 1993 | 114,601,819 | 993,326 | 1,043,213 | 0.867 | 0.910 |
| 1994 | 115,943,131 | 1,109,498 | 1,153,829 | 0.957 | 0.995 |
| 1995 | 118,218,327 | 1,272,508 | 1,319,382 | 1.076 | 1.116 |
| 1996 | 120,351,208 | 1,523,407 | 1,572,114 | 1.266 | 1.306 |
| 1997 | 122,421,991 | 1,807,900 | 1,854,031 | 1.477 | 1.514 |
| 1998 | 124,770,662 | 2,085,211 | 2,132,301 | 1.671 | 1.709 |
| 1999 | 127,075,145 | 2,429,942 | 2,479,556 | 1.912 | 1.951 |
| 2000 | 129,373,500 | 2,771,577 | 2,807,804 | 2.142 | 2.170 |
| 2001 | 130,255,237 | 2,567,220 | 2,605,021 | 1.971 | 2.000 |
| 2002 | 130,076,443 | 2,414,128 | 2,464,515 | 1.856 | 1.895 |
| 2003 | 130,423,626 | 2,536,439 | 2,573,133 | 1.945 | 1.973 |
| 2004 | 132,226,042 | 3,021,435 | 3,067,602 | 2.285 | 2.320 |
| 2005 | 134,372,678 | 3,566,125 | 3,584,012 | 2.654 | 2.667 |
| 2006 | 138,394,754 | 4,064,883 | 4,094,953 | 2.937 | 2.959 |
| 2007 | 142,978,806 | 4,535,623 | 4,576,315 | 3.172 | 3.201 |
| 2008 | 142,450,569 | 4,375,660 | 4,416,986 | 3.072 | 3.101 |
| 2009 | 140,494,127 | 3,924,489 | 3,975,288 | 2.793 | 2.830 |
| 2010 | 142,892,051 | 4,296,307 | 4,347,756 | 3.007 | 3.043 |
| 2011 | 145,370,240 | 4,700,056 | 4,758,256 | 3.233 | 3.273 |
| 2012 | 144,928,472 | 5,251,992 | 5,308,871 | 3.624 | 3.663 |
| 2013 | 147,351,299 | 5,558,244 | 5,616,056 | 3.772 | 3.811 |
| 2014 | 148,606,578 | 6,223,813 | 6,279,428 | 4.188 | 4.226 |
| 2015 | 150,493,263 | 6,751,845 | 6,784,187 | 4.486 | 4.508 |

Footnotes at end of figure.

⁷ Inflation-adjusted dollars are based on the Consumer Price Index (CPI-U) as published by the U.S. Department of Labor, Bureau of Labor Statistics. The consumer price index approximates buying patterns of typical urban consumers. The annual index is the average of the monthly indices.

Figure C—Continued

All Returns and Returns With Income of \$200,000 or More Measured in Current and Inflation-Adjusted Dollars, by Income Concept, Tax Years 1977–2015—Continued

| Tax year | Inflation-adjusted income threshold equal to \$200,000 in 1976 dollars (whole dollars) [1] | \$200,000 inflation-adjusted income threshold | | | |
|----------|--|---|-----------------|---|-----------------|
| | | Number of returns by income concept | | Percentage of all returns by income concept | |
| | | Adjusted gross income | Expanded income | Adjusted gross income | Expanded income |
| | (6) | (7) | (8) | (9) | (10) |
| 1977 | 213,005 | 45,931 | 58,991 | 0.053 | 0.068 |
| 1978 | 229,174 | 49,388 | 62,556 | 0.055 | 0.070 |
| 1979 | 255,184 | 55,542 | 76,479 | 0.060 | 0.083 |
| 1980 | 289,631 | 52,512 | 71,704 | 0.056 | 0.076 |
| 1981 | 319,508 | 50,880 | 71,146 | 0.053 | 0.075 |
| 1982 | 339,192 | 59,411 | 81,297 | 0.062 | 0.085 |
| 1983 | 350,088 | 67,310 | 93,977 | 0.070 | 0.098 |
| 1984 | 365,202 | 80,800 | 116,389 | 0.081 | 0.117 |
| 1985 | 378,207 | 95,740 | 134,715 | 0.094 | 0.133 |
| 1986 | 385,237 | 119,550 | 191,596 | 0.116 | 0.186 |
| 1987 | 399,297 | 161,408 | 169,942 | 0.151 | 0.159 |
| 1988 | 415,817 | 235,051 | 241,201 | 0.214 | 0.220 |
| 1989 | 435,852 | 217,685 | 228,530 | 0.194 | 0.204 |
| 1990 | 459,400 | 216,716 | 228,659 | 0.191 | 0.201 |
| 1991 | 478,735 | 183,442 | 195,743 | 0.160 | 0.171 |
| 1992 | 493,146 | 213,783 | 227,354 | 0.188 | 0.200 |
| 1993 | 507,909 | 201,236 | 212,853 | 0.176 | 0.186 |
| 1994 | 520,914 | 204,532 | 214,673 | 0.176 | 0.185 |
| 1995 | 535,677 | 237,770 | 248,077 | 0.201 | 0.210 |
| 1996 | 551,494 | 278,342 | 288,194 | 0.231 | 0.239 |
| 1997 | 564,148 | 335,040 | 345,869 | 0.274 | 0.283 |
| 1998 | 572,934 | 385,183 | 396,207 | 0.309 | 0.318 |
| 1999 | 585,589 | 436,118 | 446,583 | 0.343 | 0.351 |
| 2000 | 605,272 | 482,396 | 492,589 | 0.373 | 0.381 |
| 2001 | 622,495 | 391,901 | 400,906 | 0.301 | 0.308 |
| 2002 | 632,337 | 345,892 | 356,402 | 0.266 | 0.274 |
| 2003 | 646,749 | 356,727 | 367,012 | 0.274 | 0.281 |
| 2004 | 663,972 | 436,583 | 445,934 | 0.330 | 0.337 |
| 2005 | 686,467 | 519,216 | 527,126 | 0.386 | 0.392 |
| 2006 | 708,612 | 569,893 | 581,199 | 0.412 | 0.420 |
| 2007 | 728,794 | 606,026 | 618,154 | 0.424 | 0.432 |
| 2008 | 756,777 | 487,656 | 498,470 | 0.342 | 0.350 |
| 2009 | 754,084 | 372,665 | 383,354 | 0.265 | 0.273 |
| 2010 | 766,453 | 421,604 | 433,924 | 0.295 | 0.304 |
| 2011 | 790,647 | 430,127 | 440,529 | 0.296 | 0.303 |
| 2012 | 807,009 | 535,038 | 545,246 | 0.369 | 0.376 |
| 2013 | 818,830 | 470,906 | 480,987 | 0.320 | 0.326 |
| 2014 | 832,112 | 546,588 | 554,697 | 0.368 | 0.373 |
| 2015 | 833,100 | 583,951 | 591,942 | 0.388 | 0.393 |

[1] Inflation-adjusted dollars were calculated using the U.S. Bureau of Labor Statistics' consumer price index for urban consumers with 1976 as the base year. See footnote 8 of this article for further details.

NOTE: See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2018.

increased at an annual rate of approximately 6.9 percent. In comparison, the total number of returns has increased 1.5 percent per year since 1977.

Adjusting for inflation, the number of returns above the AGI threshold was 583,951 for Tax Year 2015 or 0.39 percent of all returns, up from 0.37 percent of all returns in 2014. Similarly, the number of returns above the inflation-adjusted threshold using the expanded income concept was 591,942 for Tax Year 2015 or 0.39 percent of all returns, up from 0.37 percent of all returns in 2014. Since 1977, the number of returns with expanded

income above this threshold has increased at an annual rate of approximately 6.3 percent.

Although the number of returns reporting incomes of \$200,000 or more generally increased annually from 1977 to 2015, the exceptions to this reflect the economic downturns in Tax Years 2001, 2002, 2008, and 2009. The general trend of a rise in the number of returns is similar when using the inflation-adjusted income threshold. However, the increases are much smaller, and the number of returns above the inflation-adjusted threshold decreased in additional years, i.e., Tax Years 1980,

1981, 1989, 1990, 1991, 1993, and 2013. Many of these years also coincided with economic downturns.⁸

The difference in the number of high-income returns between the two income concepts significantly decreased beginning with 1987, when AGI began to include 100 percent of long-term capital gains. This change in the definition of AGI made it more comparable to the expanded-income concept. In addition, due to the inclusion of tax-exempt interest in expanded income in 1987, expanded income for years after 1986 is not strictly comparable to expanded income for years before 1987.

Nontaxable High-Income Returns

Of the 6.8 million income tax returns with an AGI of \$200,000 or more, 11,082 showed no U.S. income tax liability for Tax

Year 2015 (top panel of Figure D). Also, of the 6.8 million tax returns with expanded income of \$200,000 or more, 22,297 had no U.S. income tax liability. This represents a 1.6-percent increase for high-AGI returns and a 5.9-percent increase for high-expanded-income returns with no U.S. income tax liability from the corresponding numbers of nontaxable high-income returns for 2014.

Of the returns with an AGI of \$200,000 or more, 4,373 returns showed no worldwide income tax liability for Tax Year 2015. For returns with an expanded income of \$200,000 or more, 10,947 had no worldwide income tax liability. This represents a 11.4-percent increase for high-AGI returns and 12.9-percent increase for high-expanded-income returns with no worldwide

Figure D

Nontaxable Returns With Income of \$200,000 or More Measured in Current and Inflation-Adjusted Dollars, by Tax and Income Concept, Tax Years 1977–2015

| Tax year | \$200,000 income threshold measured in current dollars | | | | | | | |
|----------|---|-----------------|---|-----------------|--|-----------------|---|-----------------|
| | Number of nontaxable returns with income of \$200,000 or more | | | | Percentage of all returns with income of \$200,000 or more | | | |
| | Returns with no U.S. income tax, by income concept | | Returns with no worldwide income tax, by income concept | | Returns with no U.S. income tax, by income concept | | Returns with no worldwide income tax, by income concept | |
| | Adjusted gross income | Expanded income | Adjusted gross income | Expanded income | Adjusted gross income | Expanded income | Adjusted gross income | Expanded income |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| 1977 | 60 | 85 | 37 | 64 | 0.112 | 0.126 | 0.069 | 0.095 |
| 1978 | 98 | 105 | 60 | 67 | 0.143 | 0.123 | 0.088 | 0.079 |
| 1979 | 70 | 114 | 28 | 64 | 0.075 | 0.093 | 0.030 | 0.052 |
| 1980 | 143 | 198 | 56 | 114 | 0.122 | 0.132 | 0.048 | 0.076 |
| 1981 | 226 | 304 | 79 | 114 | 0.164 | 0.174 | 0.057 | 0.065 |
| 1982 | 262 | 299 | 109 | 153 | 0.155 | 0.144 | 0.064 | 0.074 |
| 1983 | 447 | 579 | 321 | 437 | 0.225 | 0.232 | 0.162 | 0.175 |
| 1984 | 532 | 325 | 471 | 271 | 0.218 | 0.105 | 0.193 | 0.087 |
| 1985 | 612 | 613 | 442 | 454 | 0.206 | 0.166 | 0.149 | 0.123 |
| 1986 | 659 | 595 | 437 | 379 | 0.176 | 0.112 | 0.117 | 0.072 |
| 1987 | 857 | 472 | 740 | 364 | 0.159 | 0.085 | 0.137 | 0.065 |
| 1988 | 822 | 397 | 731 | 309 | 0.113 | 0.054 | 0.101 | 0.042 |
| 1989 | 1,081 | 779 | 987 | 691 | 0.138 | 0.096 | 0.126 | 0.085 |
| 1990 | 1,219 | 1,183 | 1,114 | 1,087 | 0.146 | 0.137 | 0.133 | 0.126 |
| 1991 | 1,253 | 1,933 | 1,131 | 1,740 | 0.148 | 0.217 | 0.134 | 0.195 |
| 1992 | 909 | 1,896 | 823 | 1,799 | 0.095 | 0.192 | 0.086 | 0.182 |
| 1993 | 1,022 | 2,392 | 932 | 1,950 | 0.103 | 0.229 | 0.094 | 0.187 |
| 1994 | 1,137 | 2,574 | 1,061 | 2,161 | 0.102 | 0.223 | 0.096 | 0.187 |
| 1995 | 998 | 2,676 | 896 | 1,746 | 0.078 | 0.203 | 0.070 | 0.132 |
| 1996 | 1,044 | 1,820 | 950 | 1,660 | 0.069 | 0.116 | 0.062 | 0.106 |
| 1997 | 1,189 | 1,814 | 1,048 | 1,562 | 0.066 | 0.098 | 0.058 | 0.084 |
| 1998 | 1,467 | 2,224 | 1,283 | 1,914 | 0.070 | 0.104 | 0.062 | 0.090 |
| 1999 | 1,605 | 2,525 | 1,398 | 2,174 | 0.066 | 0.102 | 0.058 | 0.088 |
| 2000 | 2,328 | 2,766 | 2,022 | 2,320 | 0.084 | 0.099 | 0.073 | 0.083 |
| 2001 | 3,385 | 4,910 | 2,875 | 4,119 | 0.132 | 0.188 | 0.112 | 0.158 |
| 2002 | 2,959 | 5,650 | 2,551 | 4,922 | 0.123 | 0.229 | 0.106 | 0.200 |
| 2003 | 2,824 | 5,839 | 2,416 | 4,934 | 0.111 | 0.227 | 0.095 | 0.192 |
| 2004 | 2,833 | 5,028 | 2,420 | 4,101 | 0.094 | 0.164 | 0.080 | 0.134 |
| 2005 | 7,389 | 10,680 | 4,224 | 5,420 | 0.207 | 0.298 | 0.118 | 0.151 |
| 2006 | 8,252 | 11,014 | 4,123 | 4,322 | 0.203 | 0.269 | 0.101 | 0.106 |
| 2007 | 11,600 | 14,794 | 5,497 | 5,197 | 0.256 | 0.323 | 0.121 | 0.114 |
| 2008 | 22,257 | 31,539 | 12,326 | 17,127 | 0.509 | 0.714 | 0.282 | 0.388 |
| 2009 | 20,752 | 35,061 | 10,080 | 19,551 | 0.529 | 0.882 | 0.257 | 0.492 |
| 2010 | 19,003 | 32,441 | 8,046 | 16,082 | 0.442 | 0.746 | 0.187 | 0.370 |
| 2011 | 19,563 | 32,902 | 7,557 | 15,000 | 0.416 | 0.691 | 0.161 | 0.315 |
| 2012 | 20,304 | 32,326 | 7,408 | 13,450 | 0.387 | 0.609 | 0.141 | 0.253 |
| 2013 | 12,517 | 25,926 | 4,266 | 12,794 | 0.225 | 0.462 | 0.077 | 0.228 |
| 2014 | 10,905 | 21,052 | 3,927 | 9,692 | 0.175 | 0.335 | 0.063 | 0.154 |
| 2015 | 11,082 | 22,297 | 4,373 | 10,947 | 0.164 | 0.329 | 0.065 | 0.161 |

Footnotes at end of table.

⁸ See National Bureau of Economic Research list of business cycles at <http://www.nber.org/cycles.html>.

Figure D—Continued

Nontaxable Returns With Income of \$200,000 or More Measured in Current and Inflation-Adjusted Dollars, by Tax and Income Concept, Tax Years 1977–2015—Continued

| Tax year | \$200,000 inflation-adjusted income threshold [1] | | | | | | | |
|----------|---|-----------------|---|-----------------|--|-----------------|---|-----------------|
| | Number of nontaxable returns with income of \$200,000 or more | | | | Percentage of all returns with income of \$200,000 or more | | | |
| | Returns with no U.S. income tax, by income concept | | Returns with no worldwide income tax, by income concept | | Returns with no U.S. income tax, by income concept | | Returns with no worldwide income tax, by income concept | |
| | Adjusted gross income | Expanded income | Adjusted gross income | Expanded income | Adjusted gross income | Expanded income | Adjusted gross income | Expanded income |
| | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) |
| 1977 | 54 | 75 | 32 | 56 | 0.118 | 0.127 | 0.070 | 0.095 |
| 1978 | 62 | 70 | 31 | 39 | 0.126 | 0.112 | 0.063 | 0.062 |
| 1979 | 38 | 71 | 15 | 39 | 0.068 | 0.093 | 0.027 | 0.051 |
| 1980 | 56 | 71 | 22 | 39 | 0.107 | 0.099 | 0.042 | 0.054 |
| 1981 | 53 | 87 | 21 | 55 | 0.104 | 0.122 | 0.041 | 0.077 |
| 1982 | 58 | 68 | 27 | 36 | 0.098 | 0.084 | 0.045 | 0.044 |
| 1983 | 138 | 135 | 113 | 108 | 0.205 | 0.144 | 0.168 | 0.115 |
| 1984 | 170 | 78 | 160 | 66 | 0.210 | 0.067 | 0.198 | 0.057 |
| 1985 | 190 | 155 | 137 | 99 | 0.198 | 0.115 | 0.143 | 0.073 |
| 1986 | 201 | 189 | 138 | 120 | 0.168 | 0.099 | 0.115 | 0.063 |
| 1987 | 312 | 126 | 271 | 85 | 0.193 | 0.074 | 0.168 | 0.050 |
| 1988 | 277 | 141 | 251 | 116 | 0.118 | 0.058 | 0.107 | 0.048 |
| 1989 | 293 | 128 | 269 | 106 | 0.135 | 0.056 | 0.124 | 0.046 |
| 1990 | 339 | 169 | 307 | 137 | 0.156 | 0.074 | 0.142 | 0.060 |
| 1991 | 301 | 305 | 273 | 277 | 0.164 | 0.156 | 0.149 | 0.142 |
| 1992 | 171 | 288 | 148 | 264 | 0.080 | 0.127 | 0.069 | 0.116 |
| 1993 | 180 | 323 | 160 | 300 | 0.089 | 0.152 | 0.080 | 0.141 |
| 1994 | 227 | 345 | 209 | 329 | 0.111 | 0.161 | 0.102 | 0.153 |
| 1995 | 202 | 281 | 174 | 252 | 0.085 | 0.113 | 0.073 | 0.102 |
| 1996 | 236 | 275 | 213 | 254 | 0.085 | 0.095 | 0.077 | 0.088 |
| 1997 | 256 | 247 | 222 | 214 | 0.076 | 0.071 | 0.066 | 0.062 |
| 1998 | 290 | 289 | 251 | 253 | 0.075 | 0.073 | 0.065 | 0.064 |
| 1999 | 351 | 343 | 296 | 293 | 0.080 | 0.077 | 0.068 | 0.066 |
| 2000 | 464 | 365 | 390 | 290 | 0.096 | 0.074 | 0.081 | 0.059 |
| 2001 | 694 | 648 | 567 | 519 | 0.177 | 0.162 | 0.145 | 0.129 |
| 2002 | 520 | 616 | 437 | 530 | 0.150 | 0.173 | 0.126 | 0.149 |
| 2003 | 407 | 567 | 339 | 485 | 0.114 | 0.154 | 0.095 | 0.132 |
| 2004 | 350 | 396 | 301 | 344 | 0.080 | 0.089 | 0.069 | 0.077 |
| 2005 | 1,166 | 1,236 | 625 | 624 | 0.225 | 0.234 | 0.120 | 0.118 |
| 2006 | 1,257 | 1,111 | 512 | 306 | 0.221 | 0.191 | 0.090 | 0.053 |
| 2007 | 1,524 | 1,369 | 565 | 314 | 0.251 | 0.221 | 0.093 | 0.051 |
| 2008 | 3,001 | 2,861 | 1,436 | 1,116 | 0.615 | 0.574 | 0.294 | 0.224 |
| 2009 | 2,268 | 2,841 | 874 | 1,252 | 0.609 | 0.741 | 0.235 | 0.327 |
| 2010 | 2,151 | 2,520 | 621 | 820 | 0.510 | 0.581 | 0.147 | 0.189 |
| 2011 | 2,327 | 2,754 | 633 | 884 | 0.541 | 0.625 | 0.147 | 0.201 |
| 2012 | 2,297 | 2,450 | 535 | 547 | 0.429 | 0.449 | 0.100 | 0.100 |
| 2013 | 901 | 1,158 | 217 | 398 | 0.191 | 0.241 | 0.046 | 0.083 |
| 2014 | 627 | 754 | 212 | 303 | 0.115 | 0.136 | 0.039 | 0.055 |
| 2015 | 617 | 753 | 220 | 329 | 0.106 | 0.127 | 0.038 | 0.056 |

[1] Inflation-adjusted dollars were calculated using the U.S. Bureau of Labor Statistics' consumer price index for urban consumers with 1976 as the base year. See footnote 8 of this article for further details. See Figure C, Column 6, for the yearly inflation-adjusted thresholds.

NOTES: See Figure M for the derivation of U.S. income tax and worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. In order to maintain historical comparability, Tax Years 2007 and 2008 data were recalculated using the new criteria. Previously published tables for Tax Years 2007 and 2008 do not reflect these changes. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2018.

income tax liability, compared to the number of returns in the same categories for 2014.

Tables 1 and 2 also show the number of all returns, taxable returns, and nontaxable returns cross-classified by broad AGI and expanded-income size classes. Most returns fall in the same broad income-size class under both income concepts, but the number of nontaxable returns under the expanded-income concept is generally greater than the AGI concept in each income

class over \$50,000. They also show that there were 6.6 million returns with incomes of \$200,000 or more as measured by both AGI and expanded income, of which 9,333 returns had no U.S. income tax liability and 2,719 returns had no worldwide income tax.

Of the roughly 584,000 returns with an AGI over the inflation-adjusted high-income threshold, 617 returns had no U.S. income tax liability in 2015, down 1.6 percent from the

previous year (lower panel of Figure D). Additionally, 220 returns showed no worldwide income tax liability, up 3.8 percent over the number for 2014. Measured using expanded income, of the almost 592,000 returns above the inflation-adjusted threshold, 753 returns had no U.S. income tax liability, almost unchanged from 2014, as well as 329 returns that showed no worldwide income tax liability for 2015, up 8.6 percent over the number of returns for the previous year.

Moving from the nominal \$200,000 threshold to an inflation-adjusted threshold does not generally change substantially the share of high-income returns that are nontaxable. Using AGI, 0.2 percent of high-income returns had no U.S. income tax liability with a nominal \$200,000 threshold, while only 0.1 percent had no U.S. income tax liability using an inflation-adjusted threshold. Similarly, 0.06 percent of high-income returns over the nominal threshold and 0.04 percent of high-income returns above the inflation-adjusted threshold had no worldwide income tax liability for 2015. When using expanded income with a nominal \$200,000 threshold, 0.3 percent of high-income returns had no U.S. income tax, and 0.2 percent had no worldwide income tax for 2015, while an inflation-adjusted threshold showed that

0.1 percent had no U.S. income tax and 0.06 percent had no worldwide income tax.

Figure E shows the evolution of the number and share of returns with an expanded income of \$200,000 or more with no worldwide income tax. The number of returns above the threshold is read off the left vertical axis, and the share of returns above the threshold is read off the right vertical axis. Two series are shown for each measure, one using a nominal \$200,000 threshold and one using an inflation-adjusted threshold.

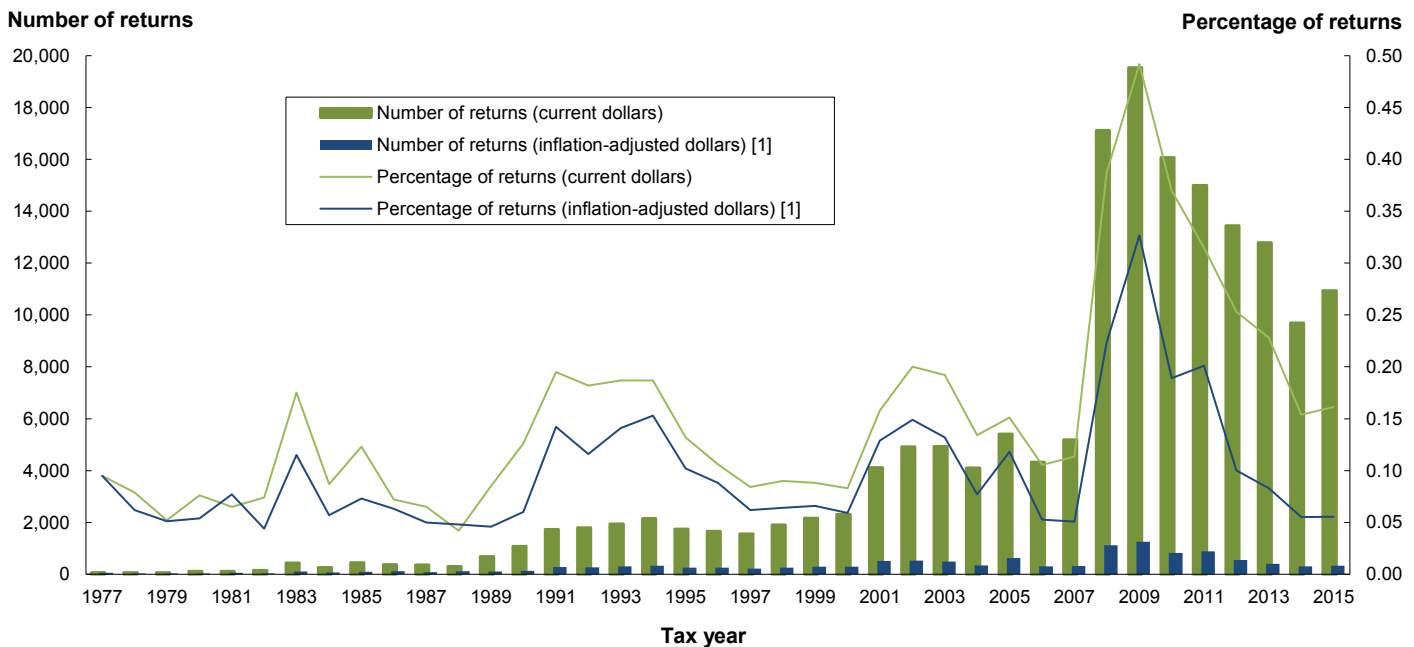
In this figure, the spread between the two shares was small for the late 1970s, showed an increase for the early 1980s, and then narrowed before widening again after 1988. The spread generally narrowed after 1993 but increased or stayed fairly consistent from 2002 to 2007. From 2008 to 2014, the spread widened considerably. The gap (over 0.1 percentage point) for 2015 is smaller than many of the past years, but is still wide compared with most of the years in this study.⁹

Reasons for Nontaxability

Taxpayers may have their tax liability reduced—possibly to zero or beyond—in numerous ways. These include claiming

Figure E

Returns With Expanded Income of \$200,000 or More: Number and Percentage of Returns With No Worldwide Income Tax, Measured in Current and Inflation-Adjusted Dollars, Tax Years 1977–2015



[1] Inflation-adjusted dollars were calculated using the U.S. Bureau of Labor Statistics' consumer price index for urban consumers with 1976 as the base year. See footnote 8 of this article for further details.

NOTES: See Figure M for the derivation of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits were factored in to determine tax liability. In order to maintain historical comparability, Tax Years 2007 and 2008 data were recalculated using the new criteria. Previously published tables for Tax Years 2007 and 2008 do not reflect these changes. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect. See Appendix A: Income Concepts of this article for a discussion of expanded income.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2018.

⁹ Note that before 1991, the number of nontaxable returns with expanded income of \$200,000 or more was based on samples. Year-to-year differences in the number and percentages of nontaxable returns with expanded income of \$200,000 or more may have represented sampling variability, in addition to actual changes in the number of such returns. Beginning with Tax Year 1991, nontaxable returns with expanded income of \$200,000 or more were sampled at higher rates, which reduced the sampling variability of these returns and, therefore, provided improved estimates. Thus, the data for returns prior to 1991 are not entirely comparable with data for more recent years.

tax credits, which directly reduces an individual's tax liability; claiming various deductions, which reduces taxable income; and receiving income that is excluded from the calculation of taxable income.

It is possible for certain itemized deductions and certain exclusions from income to lead to nontaxability by themselves, but high-income returns are more often nontaxable for a combination of reasons, none of which alone would result in nontaxability. Moreover, some items, either singly or in combination, may eliminate "regular tax" liability (i.e., income tax excluding the AMT), but cannot eliminate an AMT liability since these items give rise to adjustments or preferences for AMT purposes.

Because they do not generate AMT adjustments or preferences, tax-exempt bond interest (not including private activity bonds), itemized deductions for interest expenses, miscellaneous itemized deductions not subject to the 2-percent-of-AGI floor, casualty or theft losses, and medical expenses (exceeding 10 percent of AGI) could, by themselves, produce nontaxability.

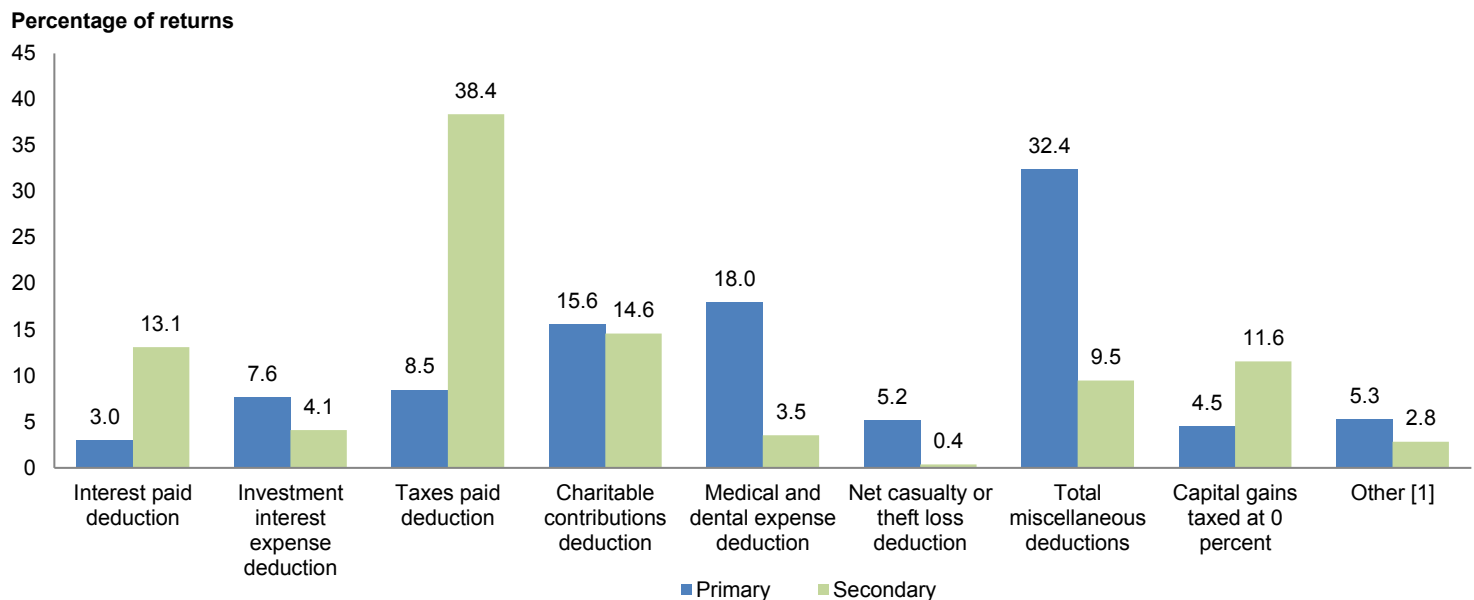
Due to the AMT exemption of \$83,400 for joint returns (\$53,600 for single and head-of-household returns and \$41,700 for returns of married taxpayers filing separately), a return could have been nontaxable even though it included some items that produced AMT adjustments or preferences.¹⁰ Further, since the

starting point for "alternative minimum taxable income" was taxable income for regular tax purposes, a taxpayer could have adjustments and preferences exceeding the AMT exclusion without incurring AMT liability. This situation could occur if taxable income for regular tax purposes was sufficiently negative due to itemized deductions and personal exemptions exceeding AGI, such that the taxpayer's AMT adjustments and preferences are less than the sum of the AMT exclusion and the amount by which regular taxable income is below zero. Note that, because of the AMT, taxpayers may have found it beneficial to report additional deduction items on their tax returns even if the items did not produce a benefit for regular tax purposes.

The most important item in eliminating tax on the 4,373 returns without any worldwide income tax and with an AGI of \$200,000 or more was total miscellaneous deductions, which includes deductions such as the gambling loss deduction, or property income, casualty, and theft deduction. This was the case in 32.4 percent (1,419) of these returns (Figure F). The next three categories that most frequently had the largest primary effect in eliminating taxes were: 1) medical and dental expense deduction (18.0 percent or 786 returns); 2) charitable contributions deduction (15.6 percent or 682 returns); and 3) taxes paid deduction (8.5 percent or 370 returns). The item that was most

Figure F

Returns With Adjusted Gross Income of \$200,000 or More and No Worldwide Income Tax: Percentage of Primary and Secondary Reasons for No Income Tax Liability, Tax Year 2015



[1] Includes 10 returns where the primary reason for nontaxability was not identified by the data items selected for this article. Does not include returns where there was no secondary reason for nontaxability.

NOTES: Detail may not add to 100 percent because of rounding. See Figure M for the derivation of worldwide income tax. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2018.

¹⁰ The AMT exclusion phases out above certain levels of "alternative minimum taxable income," based on filing status. However, since taxpayers will have some AMT liability in the phase-out range, the phase-out income is not relevant for nontaxable, high-income returns.

frequently the secondary effect in reducing regular tax liability for high-AGI returns with no worldwide income tax was the deduction for taxes paid (38.4 percent or 1,675 returns). The next three categories that most frequently had the largest secondary effect in eliminating taxes were: 1) the charitable contributions deduction (14.6 percent or 637 returns); 2) interest paid deduction (13.1 percent or 572 returns); and 3) capital gains taxed at 0 percent (11.6 percent or 504 returns).

Of the 10,947 returns without any worldwide income tax and expanded incomes of \$200,000 or more, the most important item in eliminating tax, on 51.9 percent of returns, was the exclusion for interest income on State and local Government bonds (“tax-exempt interest”) (Figure G). The next three categories that most frequently had the largest primary effect on taxes were: 1) medical and dental expense deduction (15.9 percent or 1,739 returns); 2) charitable contributions deduction (8.2 percent or 903 returns); and 3) foreign-earned income exclusion (6.1 percent or 671 returns). The item that was most frequently the secondary effect in reducing regular tax liability on high-expanded-income returns with no worldwide income tax was the deduction for taxes paid (24.4 percent or 2,670 returns). The next three categories that most frequently had the largest secondary effect in eliminating taxes were: 1) charitable contributions deduction (13.5 percent or 1,479 returns); 2) capital gains

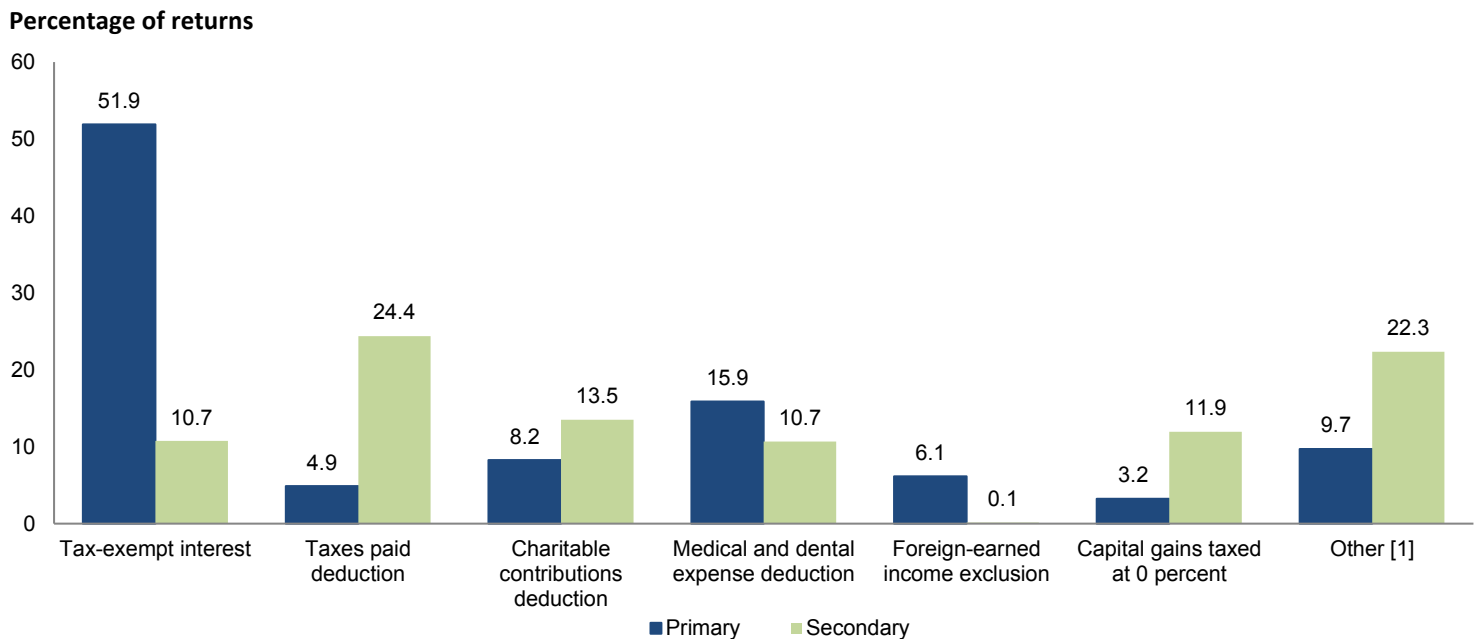
taxed at 0 percent (11.9 percent or 1,306 returns); and 3) tax-exempt interest (10.7 percent or 1,175 returns).

Tables 7 and 8 in this article also classify tax returns by items having the largest and second largest effects in reducing or eliminating income tax. For returns on which each of the largest effects was identified, the tables show each of the second largest effects as well.¹¹ For example, Table 7 shows that on taxable returns with some U.S. income tax and expanded incomes of \$200,000 or more, the taxes paid deduction was the most important item 64.5 percent of the time. Where this was the primary item, the interest paid deduction was the second most important item 59.0 percent of the time, and the charitable contributions deduction was the second most important item 26.9 percent of the time. The foreign tax credit was the largest reason for non-taxability for both AGI (56.6 percent of the time) and expanded-income returns with no income tax (36.4 percent of the time). However, in determining worldwide tax, this no longer has an effect (by definition).

Figure H presents another way of illustrating the importance of selected tax provisions in reducing or eliminating income tax liability. It shows the number of high-expanded-income tax returns with no worldwide income tax utilizing selected tax provisions by the percentage of income reduced. For example, the itemized deduction for medical and dental expenses reduced

Figure G

Returns With Expanded Income of \$200,000 or More and No Worldwide Income Tax: Primary and Secondary Reasons for No Income Tax Liability, Tax Year 2015



[1] Includes 5 returns where the primary reason for nontaxability was not identified by the data items selected for this article. Does not include returns where there was no secondary reason for nontaxability.

NOTES: Detail may not add to 100 percent because of rounding. See Figure M for the derivation of worldwide income tax. See Appendix A: Income Concepts of this article for a discussion of expanded income.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2018.

¹¹ Tax-exempt interest and the foreign-earned income exclusion were not included in Tables 7 and 8 as possible tax effects before Tax Year 1994. Thus, caution should be exercised in making comparisons with data prior to 1994 and after 1993.

Figure H

Returns With Expanded Income of \$200,000 or More and No Worldwide Income Tax: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2015

| Type of deduction, credit, or tax preference | Total | No deduction, credit, or tax preference | Number of returns on which income was reduced by percentage of income | | |
|--|--------|--|--|-----------------------------------|--------------------------|
| | | | Under 30 percent | 30 percent under 60 percent | 60 percent or more |
| | (1) | (2) | (3) | (4) | (5) |
| Total itemized deductions | 10,947 | 1,007 | 3,273 | 2,866 | 3,801 |
| Interest paid deduction: | | | | | |
| Total | 10,947 | 7,534 | 3,312 | 47 | 54 |
| Investment interest expense deduction per income concept | 10,947 | 8,456 | 2,435 | 28 | 28 |
| Taxes paid deduction | 10,947 | 1,062 | 9,036 | 582 | 267 |
| Charitable contributions deduction | 10,947 | 2,093 | 7,608 | 1,210 | 36 |
| Medical and dental expense deduction | 10,947 | 4,855 | 4,069 | 902 | 1,121 |
| Net casualty or theft loss deduction | 10,947 | 10,685 | 21 | 14 | 227 |
| Net limited miscellaneous deduction per income concept | 10,947 | 4,377 | 5,980 | 438 | 152 |
| Nonlimited miscellaneous deduction | 10,947 | 10,003 | 915 | 16 | 13 |
| Deduction equivalent of: | | | | | |
| Total credits | 10,947 | 10,247 | 414 | 157 | 129 |
| Foreign tax credit | 10,947 | 10,947 | 0 | 0 | 0 |
| General business credit | 10,947 | 10,742 | 82 | 90 | 33 |
| Tax preferences excluded from adjusted gross income | 10,947 | 1,874 | 2,842 | 2,350 | 3,881 |
| Nontaxable Social Security benefits | 10,947 | 4,744 | 6,200 | 3 | 0 |
| Capital gains taxed at 0 percent | 10,947 | 5,824 | 4,609 | 514 | 0 |

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2018.

income by greater than 60 percent of expanded income on 1,121 (or 10.2 percent) of the 10,947 returns, but there were no medical and dental expense deductions on 4,855 returns or 44.4 percent. Conversely, the taxes paid deduction reduced expanded income between 0 and 30 percent on 9,036 (or 82.5 percent) of the 10,947 returns, but reduced income by greater than 60 percent on only 267 returns. These results are like those in Figure G. Tax preferences excluded from AGI, which included tax-exempt interest, reduced income by greater than 60 percent of expanded income on 3,881 (or 35.5 percent) of the 10,947 returns, more than any other item. In total, 9,073 returns (82.9 percent) had these tax preferences excluded from AGI. Only the taxes paid deduction was claimed by more returns with 9,885 (90.3 percent). Tables 9 and 10 report the frequencies of returns in finer detail by the percentage of income reduced.

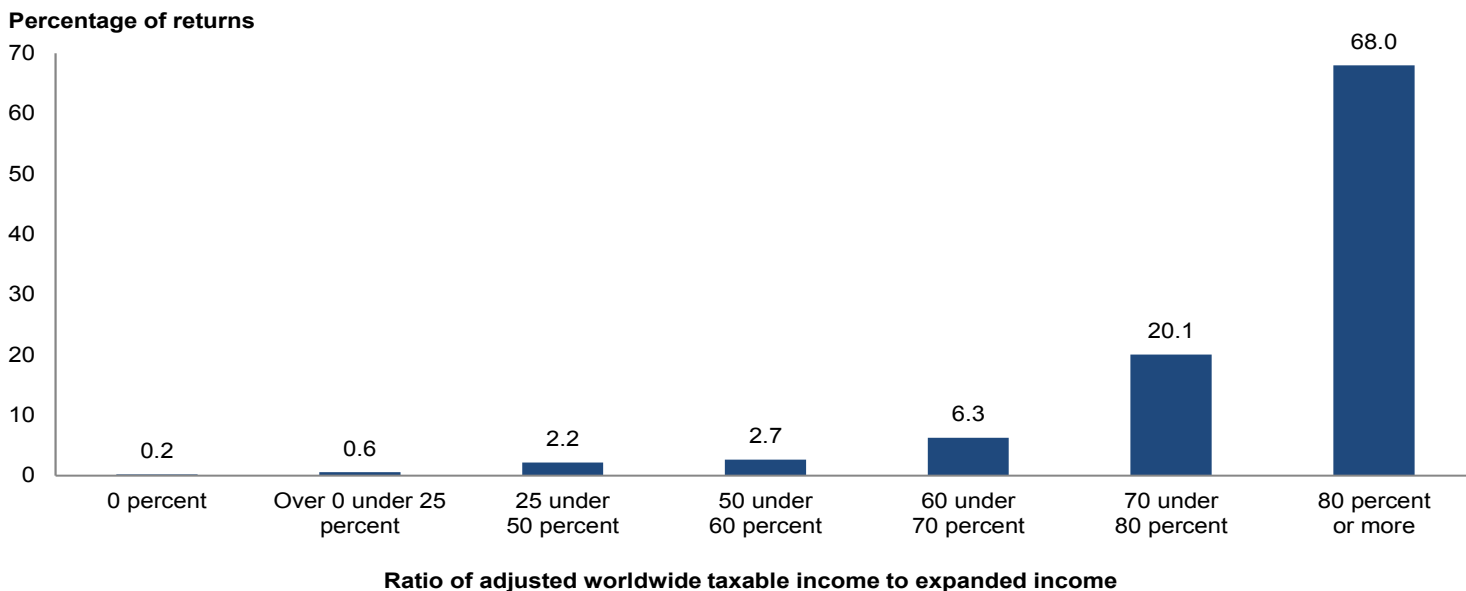
Distribution of Tax Levels

Figure I presents the distribution of high-expanded-income returns by the ratio of “adjusted” worldwide taxable income to expanded income. Taxable income was adjusted for this figure by subtracting the deduction equivalents of tax credits and other items from taxable income.¹² Thus, the figure shows the extent

to which expanded income is reduced before taxes are imposed on the remaining income. The figure illustrates three important facts about high-income tax returns:

- Only a small portion of all high-income taxpayers did not pay any worldwide income taxes (0.2 percent).
- Another group of high-income taxpayers—small, but larger than the nontaxable group—could offset a very substantial fraction of income before being subject to tax. This type of high-income taxpayer pays income tax equal to only a small share of his or her income. Such taxpayers may be called “nearly nontaxable.” About 0.6 percent of high-expanded-income taxpayers who reported at least some worldwide tax liability were able to reduce their adjusted taxable income to less than 25 percent of their expanded income.
- Overall, most high-income taxpayers were subject to tax on a large share of their income (68.0 percent of high expanded-income taxpayers had adjusted taxable income equal to 80 percent or more of expanded income; and 97.1 percent had adjusted taxable income equal to 50 percent or more of expanded income).

¹² See Appendix B for a description of how the deduction equivalent of credits was computed.

Figure I**Distribution of Returns With Expanded Income of \$200,000 or More, by Ratio of Adjusted Worldwide Taxable Income to Expanded Income, Tax Year 2015**

NOTES: Detail may not add to 100 percent because of rounding. See Appendix A: Income Concepts of this article for a discussion of expanded income.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2018.

Figure J shows the distribution of all expanded-income returns by worldwide income tax burden. It classifies tax returns by size of expanded income and effective tax rate, i.e., income tax as a percentage of expanded income. This figure illustrates the wide dispersion of effective tax rates for all returns. For example, while 2.9 percent of returns with expanded incomes of \$200,000 or more had worldwide income tax of less than 10 percent of income, 20.4 percent had effective tax rates of 25 percent or more. Also, 27.7 percent had effective tax rates between 20 and 25 percent. In contrast, only 2.7 percent of taxpayers with an expanded income between \$100,000 and \$200,000 had effective tax rates of 20 percent or more, including only 0.1 percent with effective tax rates of 25 percent or more.

Characteristics of Tax Returns

By comparing high-income nontaxable returns with taxable returns, some of the different characteristics of nontaxable returns can be deduced. For example, under the expanded-income concept, returns without worldwide income tax were much more likely (82.8 percent) than taxable returns (24.8 percent) to have tax-exempt interest, and when they did, the average amount for nontaxable returns (\$230,825) was much higher than the average amount for all taxable returns (\$24,799) (Figure K). Similarly, nontaxable returns (30.3 percent) were much less likely than high-income taxable returns (87.2 percent) to have income from salaries and wages. Tables 5 and 6 show the aggregate frequencies and amounts of all the types of income, the items of tax preference, and the various deductions, credits, and income taxes on high-income returns.

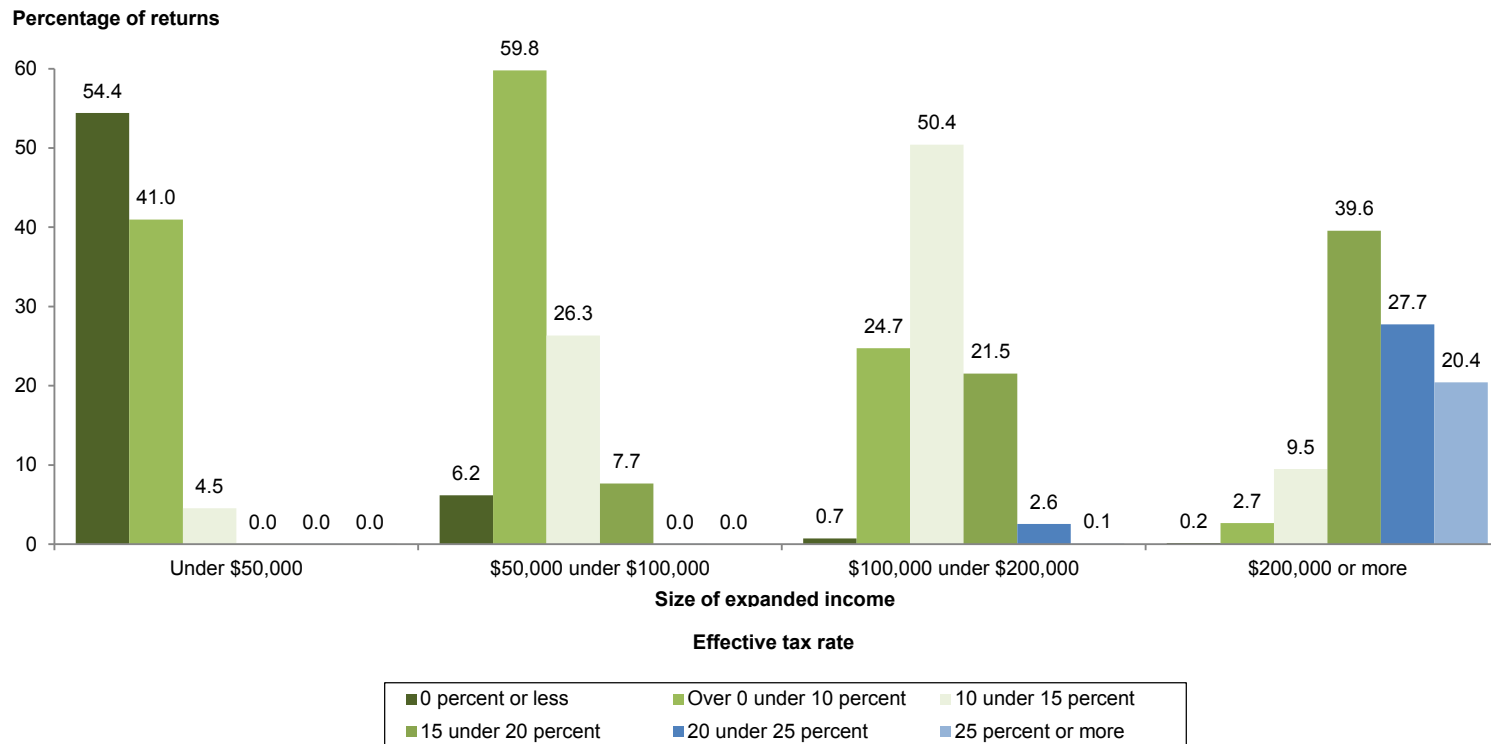
More Detailed Data for 2015

Tables 1 through 12 present data based on income tax returns for 2015, mainly those with income of \$200,000 or more (measured in current-year dollars) of AGI or expanded income. Most of the data are shown for taxable and nontaxable returns, both separately and combined. The odd-numbered tables use the U.S. income tax concept to classify returns as taxable or nontaxable, whereas the even-numbered tables use the worldwide income tax concept. In summary, the tables show:

- The numbers of returns under the two tax concepts, cross-classified by broad AGI and expanded-income size classes (Tables 1 and 2);
- The distributions of taxable income as a percentage of AGI and expanded income (Tables 3 and 4);
- The frequencies and amounts of various sources of income, exclusions, deductions, taxes, and tax credits, as well as the relationship between the two income concepts (Tables 5 and 6);
- The frequencies with which various deductions and tax credits are the most important and second most important items in reducing (or eliminating) income tax (Tables 7 and 8);
- The frequencies with which various itemized deductions, tax credits, and tax preference items occur as certain percentages of income (Tables 9 and 10); and
- The distributions of effective tax rates, i.e., income tax under each definition as a percentage of income as well as the percentage of income that is subject to preferential tax rates, by broad income-size classes (Tables 11 and 12).

Figure J

Distribution of Effective Worldwide Income Tax Rate by Size of Expanded Income, Tax Year 2015



NOTES: Detail may not add to 100 percent because of rounding. See Figure M for the derivation of worldwide income tax. See Appendix A: Income Concepts of this article for a discussion of expanded income.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2018.

Figure K

Returns With Expanded Income of \$200,000 or More: Percentage and Average for Selected Items, Tax Year 2015

[Money amounts are in whole dollars]

| Selected items | Returns with expanded income of \$200,000 or more | | | |
|--|---|----------------|--------------------------------------|----------------|
| | Returns with worldwide income tax | | Returns without worldwide income tax | |
| | Percentage of returns | Average amount | Percentage of returns | Average amount |
| | (1) | (2) | (3) | (4) |
| Salaries and wages | 87.2 | 309,433 | 30.3 | 122,219 |
| Tax-exempt interest | 24.8 | 24,799 | 82.8 | 230,825 |
| Qualified dividends | 65.2 | 30,895 | 85.1 | 62,426 |
| Social Security benefits (nontaxable) | 18.9 | 4,730 | 56.7 | 5,207 |
| Medical and dental expense deduction | 2.8 | 25,098 | 55.7 | 69,755 |
| Net limited miscellaneous deductions per adjusted gross income concept | 15.7 | 23,679 | 60.9 | 48,948 |

NOTES: There were 6,784,187 returns with expanded income of \$200,000 or more; 10,947 of these returns did not have any worldwide income tax. See Figure M for the derivation of worldwide income tax. See Appendix A: Income Concepts of this article for a discussion of expanded income.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2018

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Appendix A: Income Concepts

Congress wanted data on high-income taxpayers classified by an income concept that was more comprehensive than adjusted gross income (AGI), but that was based entirely on items already reported on income tax returns. To derive such an income concept, it was necessary to begin with a broad, inclusive concept of income. AGI must then be compared to this broad income concept, and the differences, (both additions and subtractions) from items reported on tax returns, identified.

This appendix begins by defining “Haig-Simons income,” a very broad concept of income used by economists and others as a standard. AGI is then compared to Haig-Simons income, and the major differences between the two income concepts are listed. The next section defines “expanded income,” a more comprehensive income measure than AGI, based entirely on tax return data, and the final section explains in some detail the adjustment to income for investment expenses.

Haig-Simons Income

The broadest measure of annual income generally used by economists and others is defined as the value of a household’s consumption plus the change, if any, in its net worth. This income concept is referred to as Haig-Simons income, or H-S income, after the two economists who wrote extensively about it [A1]. The H-S income of a household that consumed \$25,000 and saved \$2,000 in a year would be \$27,000. Alternatively, the H-S income of a household that consumed \$25,000 and had no additions to savings, but had assets that declined in value by \$1,000 in a year, would be \$24,000.

H-S income consists of three broad components: labor income, capital income (income from assets), and income from transfer payments. The major elements of each of these three components are as follows:

Labor income—This includes all forms of employee compensation (including wages and salaries), employee fringe benefits (such as employer-provided health insurance and accrued pension benefits or contributions), and the employer share of payroll taxes (such as Social Security taxes). Labor income also includes the labor share of self-employment income. Expenses of earning labor income would be deducted in arriving at H-S income. Deferred labor income (such as pension benefits)

would be counted in the year it was earned, rather than in the year it was received.

Capital income—This includes all income from assets, including interest, dividends, rents, royalties, accrued capital gains (whether realized or not), the capital income share of self-employment income, and the rental value of consumer durables (most importantly, the rental value of owner-occupied housing). Capital income is measured in real (inflation-adjusted) terms and is net of real, economic depreciation and all other expenses (which could exceed capital income).

Transfer payments—These include payments in cash such as Social Security benefits, workers' compensation, unemployment benefits, Aid to Families with Dependent Children (AFDC), and noncash benefits (such as Medicare, Medicaid, and the Supplemental Nutrition Assistance Program (SNAP)).

For purposes of tax analysis, H-S income should be measured on a pretax basis, the amount that would be earned if there were no Federal income tax in place. Most items of income are unaffected, or little affected, by the income tax and so these are reported on a pretax basis. However, certain income items from tax-preferred sources may be reduced because of their preferential treatment. An example is interest from tax-exempt State and local Government bonds. The interest rate on tax-exempt bonds is generally lower than the interest rate on taxable bonds of the same maturity and risk, with the difference approximately equal to the tax rate of the typical investor in tax-exempt bonds. Thus, investors in tax-exempt bonds are effectively paying a tax, referred to as an "implicit tax," and tax-exempt interest as reported is measured on an after-tax, rather than a pretax, basis. Income from all tax-preferred sources should be "grossed up" by implicit taxes to measure H-S income properly.

Adjusted Gross Income

AGI is the statutory definition of income for Federal income tax purposes. AGI differs from H-S income by excluding some components of H-S income and by allowing accelerated business deductions and deductions unrelated to income, but also by disallowing or limiting certain expenses of earning income and certain losses. In addition, AGI is not "grossed up" for implicit taxes.

The components of H-S income excluded from AGI include most employee fringe benefits, the employer share of payroll taxes, accrued but deferred employee compensation, accrued but unrealized real capital gains, the rental value of consumer durables, nontaxable Social Security benefits, most other cash transfers, all noncash transfers, and the real income of borrowers due to inflation [A2].

Depreciation and certain other expenses allowed in determining AGI may be accelerated (relative to economic depreciation and other costs) in the early years of an investment, thus understating investment income. In later years, however, investment income in AGI will be overstated because depreciation and other accelerated expenses will then be understated. AGI also excludes some expenses not related to earning income, such as

contributions to self-employed retirement (Keogh) plans, deductible contributions to Individual Retirement Arrangements (IRAs), the portion of Social Security contributions for self-employed workers that is analogous to the employer share of such contributions for employees, and contributions to medical savings accounts.

AGI generally exceeds H-S income to the extent that expenses of earning income and losses are limited or disallowed. Most of the expenses of earning income are deductible from AGI in calculating taxable income, but only if the taxpayer "itemizes" deductions and then, in some cases, only to the extent that the sum of all such items exceeds 2 percent of AGI. Expenses incurred in the production of income that are itemized deductions include certain expenses of employees (such as union dues; expenditures for items used on the job but not reimbursed by the employer; and the employees' travel, meal, and entertainment expenses); and expenses attributable to a taxpayer's (passive) investments (as opposed to active participation in a trade or business, for example), including, but not limited to, interest expense incurred in connection with investments in securities [A3]. Note that there are limits on certain types of deductible expenses, e.g., deductible meal and entertainment expenses are limited to 50 percent of total meal and entertainment expenses.

Although net capital losses reduce economic income, only the first \$3,000 of net realized capital losses may be deducted in computing AGI. Any additional realized losses must be carried forward to future years. In a somewhat similar manner, passive losses (from investments in a trade or business in which the taxpayer does not materially participate) can also reduce economic income, but, in computing AGI, they can only be deducted from passive income from other, similar investments (although a larger amount may be deducted when the losses are from rental real estate activities).

AGI can also exceed H-S income because of differences in the timing of income between the two concepts. For example, a taxpayer may realize more capital gains in a year than he or she accrues in capital gains. Since AGI includes only realizations of capital gains, whereas H-S income includes only accruals, AGI in this circumstance would exceed H-S income.

Finally, just as AGI understates the income of borrowers due to inflation, it overstates the income of lenders, who include bond owners and owners of bank deposits.

Expanded Income

Expanded income is meant to be a measure of income that is conceptually closer to H-S income than AGI, but which is derived entirely from items already reported on income tax returns. Figure L shows the adjustments made to AGI to arrive at expanded income. Since the definition of AGI was changed by legislation several times since 1977, and certain reporting requirements also changed, the adjustments differ over the years, as indicated for each item [A4]. Most of these adjustments are relatively straightforward, but the adjustment for investment requires some explanation.

Figure L**Derivation of Expanded Income From Adjusted Gross Income, Tax Years 1977–2015**

| Adjusted gross income (AGI) | |
|-----------------------------|--|
| PLUS: | <ul style="list-style-type: none"> o Excluded capital gains (tax years prior to 1987) o Tax-exempt interest (1987 and later tax years) o Nontaxable Social Security benefits (1988 and later tax years) o Tax preferences for alternative minimum tax purposes [A5] o Foreign-earned income exclusion (1990 and later tax years) |
| MINUS: | <ul style="list-style-type: none"> o Unreimbursed employee business expenses [A4] o Nondeductible rental losses (Tax Years 1987 and 1988) o Moving expense deduction (Tax Years 1987 through 1993) [A4] o Investment interest expense deduction to the extent it does not exceed investment income o Miscellaneous itemized deductions not subject to the 2-percent-of-AGI floor (1989 and later tax years) |
| EQUALS: | o Expanded income |

NOTES: Footnotes to this figure are included with the footnotes to Appendix A: Income Concepts, which also includes an explanation of adjusted gross income and expanded income.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2018.

Investment Expenses

In measuring H-S income, it generally would be appropriate to deduct all expenses incurred in the production of income, including those related to any income-producing investments, without limit. Investment expenses that exceed investment income would then represent net economic losses. However, such a liberal deduction for investment-related expenses is not necessarily correct when not all income items have been included currently. (Investment income includes interest, dividends, and capital gains.)

If all income has not been included currently, full deduction of investment expenses might represent a mismatching of receipts and expenses and might result in understating income. For example, if a taxpayer borrowed funds to purchase securities, net income would be understated if the taxpayer deducted all interest payments on the loan, but did not include as income any accrued gains on the securities. A similar mismatching of income and expenses would occur if investment expenses that should properly be capitalized were deducted when paid. In these instances, a more accurate measure of income might be obtained by postponing the deduction of the expense until the income was recognized for tax purposes.

Additional problems are created when a person with a loan has both income-producing assets, such as securities, and non-income-producing assets, such as a vacation home or yacht. It is not possible to determine what portion of the interest expense should be attributed to taxable income-producing assets, and, therefore, ought to be deductible against the gross receipts from such taxable assets. Because of these problems, it has been

necessary to set arbitrary limits on the amount of investment expenses that are deductible in calculating expanded income.

Investment expenses that have not been deducted in determining AGI generally can appear on a Federal individual income tax return in two places. Investment interest expense is accounted for in the calculation of the itemized deduction for interest paid. Deductible investment interest expense is a separate part of the total interest deduction. Other investment expenses, such as management fees, are included in the miscellaneous category of itemized deductions [A5]. Beginning with 1987, most types of income-producing expenses included as miscellaneous itemized deductions are only deductible to the extent that their total exceeds 2 percent of AGI. To determine expenses that should be deductible in calculating an approximation of H-S income, investment expenses have been defined as deductible investment interest expenses. Other investment expenses could not be separated from the remainder of miscellaneous deductions. Hence, they have not been used in the adjustment for investment expenses.

To the extent that interest expenses do not exceed investment income, they are generally allowed as a deduction in the computation of deductible investment interest expenses and thus expanded income. Investment interest expenses that exceed investment income are not deductible in calculating expanded income. One consequence of this definition is that investment expenses can never turn positive investment income into investment losses. Generally, allowing investment expenses to offset all investment income is generous and tends to understate broadly measured income. However, in some instances, limiting investment expenses to investment income may overstate income by disallowing genuine investment losses.

Notes to Appendix A

[A1] Haig, Robert M. (ed.), *The Federal Income Tax*, Columbia University Press, 1921, and Simons, Henry C., *Personal Income Taxation*, University of Chicago Press, 1938.

[A2] Borrowers receive income due to inflation because the real value of debt is reduced by inflation. Even though inflation may be anticipated and reflected in interest rates, tax deductions for nominal interest payments overstate interest costs because part of these payments represent a return of principal to the lender, rather than interest.

[A3] See references and footnote A4.

[A4] For 1977, about 50 percent of net long-term capital gains were included in AGI. During 1978, the inclusion ratio was changed to 40 percent. This inclusion ratio remained unchanged through 1986. Beginning with 1987, there was no exclusion allowed for capital gains in computing AGI, and, thus, this adjustment was not made in computing expanded income for returns for years after 1986.

Beginning in 1987, taxpayers were required to report on their Federal income tax returns the amount of their tax-exempt interest income from State and local Government

bonds. Since 1987, tax-exempt interest has been included in expanded income.

Taxpayers are also required to report Social Security benefits. Since 1988, nontaxable Social Security benefits have been included in expanded income. However, if none of a taxpayer's Social Security benefits are taxable, then gross Social Security benefits are not required to be shown on the income tax return. In such instances, which generally only affect lower- and middle-income taxpayers, Social Security benefits are not included in expanded income.

The subtraction of the unreimbursed employee business expense and the moving expense deductions is to make the concept of expanded income comparable to years prior to 1987. All current-year moving expenses beginning with Tax Year 1994 were deducted in the calculation of AGI as a statutory adjustment. Due to subtracting nonlimited miscellaneous deductions and not subtracting the nondeductible rental loss for 1989, the expanded income concept for 1989 is not strictly comparable to expanded income for 1988. Nor is the expanded income concept for 1990 strictly comparable to expanded income for 1989 because of the addition of the foreign-earned income exclusion. Specific details on the definition of expanded income for any given year are available in the reports and publications found under the References section.

[A5] Some income deferrals and accelerated expense deductions may also be involved in income or losses from rental property, from royalties, from partnerships, and from S Corporations, only the net amounts of which are included in adjusted gross income.

Appendix B: Tax Concepts

This appendix discusses in more detail two tax concepts used in this article. The first section provides a summary of the U.S. taxation of worldwide income and the foreign tax credit. The two tax concepts used in this article are then defined in the next section. That section is followed by an explanation of deduction equivalent of credits and other items. A final section discusses the possible implications of the use of unaudited tax return data for this article.

U.S. Taxation of Worldwide Income and the Foreign Tax Credit

Citizens and residents of the United States, regardless of where they physically reside, must generally include in income for Federal income tax purposes income from all geographic sources. Thus, for example, dividends and interest received from a foreign corporation or income earned working abroad is subject to Federal income tax in the same manner as income received from sources inside the United States [B1]. Income from sources outside the United States may also be subject to tax by foreign governments.

To reduce, if not eliminate, the possibility of double taxation of the foreign-source income of U.S. citizens and residents, the Federal income tax allows a credit for income taxes paid to

foreign governments. This foreign tax credit is generally limited to the amount of (pre-credit) U.S. tax liability attributable to foreign-source income. This limit prevents the foreign tax credit from offsetting the U.S. tax on U.S.-source income.

Due to taxing citizens and residents on a worldwide basis but allowing a foreign tax credit, some Federal income tax returns may report substantial income but little or no U.S. tax liability after credits. This may occur, for example, if a taxpayer has income only from foreign sources, e.g., the taxpayer may live abroad the entire year and have no income-producing assets in the United States. It may also occur if a taxpayer has foreign-source income that exceeds a net loss from U.S. sources and pays income taxes comparable to the U.S. tax to a foreign government [B2].

For taxpayers with income from foreign sources, these procedures understate the taxpayers' true worldwide income tax liabilities and effective income tax rates. For such taxpayers, it does not seem appropriate to classify U.S. income tax credits for foreign tax payments as reducing tax liabilities. This is particularly true for tax filers who appear to be nontaxable because they do not have any U.S. tax liability, but who have paid foreign income taxes. A more accurate measure of overall income tax burden, as well as the numbers of nontaxable returns, can be obtained by considering all income taxes—U.S. as well as foreign. Thus, a second tax concept, worldwide income tax, has been used in addition to the traditional U.S. income tax.

Two Tax Concepts

Two tax concepts are used in this article to classify tax returns as taxable (i.e., returns showing an income tax liability) or nontaxable (i.e., returns showing no income tax liability) and to measure the tax burdens on taxable returns: U.S. income tax and worldwide income tax. Worldwide income tax is defined for purposes of this article as U.S. income tax, *plus* the foreign tax credits reported on the U.S. income tax return, and foreign taxes paid on excluded foreign-earned income (obtained from Form 1116, *Foreign Tax Credit*). The amount of the foreign tax credits and foreign taxes paid on excluded foreign-earned income is used as a proxy for foreign tax liabilities [B3]. The relationship of U.S. income tax to tax items reported on individual income tax returns, and to worldwide income tax, is shown in Figure M.

Comparing Exclusions, Deductions, Tax Credits, and Special Tax Computations

To compare the importance of various exclusions, deductions, tax credits, and special tax computations (such as the alternative minimum tax on tax preferences), the different types of items must be placed on the same basis. One way of doing so is to calculate the size of the deduction that would reduce (or increase) income tax by the same amount as a tax credit or special computation. This amount is called the "deduction equivalent" of the tax credit or special computation.

The deduction equivalent of a tax credit or a special tax computation is the difference between the taxable income that, using the ordinary tax rate schedules, would yield the actual tax before the provision in question is considered and the actual

Figure M
Derivation of “U.S. Income Tax” and “Worldwide Income Tax,”
Tax Year 2015

| Tax at regular rates (tax generated) | |
|--------------------------------------|---|
| PLUS: | Additional taxes (such as tax on accumulation distributions from qualified retirement plans, Form 4972) |
| PLUS: | Alternative minimum tax (Form 6251) |
| PLUS: | Excess advance premium tax credit repayment |
| EQUALS: | Income tax before credits |
| MINUS: | Excess advance premium tax credit repayment |
| MINUS: | Tax credits (nonrefundable) |
| PLUS: | Net investment tax |
| MINUS: | Refundable tax credits [1] |
| EQUALS: | U.S. individual income tax |
| PLUS: | Foreign tax credit |
| PLUS: | Foreign taxes paid on excluded foreign-earned income (Form 1116) |
| EQUALS: | Worldwide income tax |

[1] Includes the earned income credit, additional child tax credit, refundable American opportunity credit, regulated investment company credit, net premium tax credit, and the health insurance credit.

NOTE: See Appendix B: Tax Concepts for further discussion of the information in this figure.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, October 2018.

tax after the provision. For example, the “deduction equivalent of all tax credits” is equal to the difference between “taxable income that would yield income tax before credits” and “taxable income that would yield income tax after credits.”

Using this method of equating the value of deductions, exclusions, credits, and special tax computations, the order in which the various credits and special tax computations are calculated may affect the value of their deduction equivalents. Because the tax rate schedules are progressive, with successive increments to income taxed at successively higher tax rates, the deduction equivalent of the credit converted last to a deduction equivalent will be larger (for the same amount of a credit) than the item converted first, unless all relevant taxable income amounts are within a single tax-rate bracket.

The deduction equivalents of tax credits shown in Tables 9 and 10 were computed by assuming that deductions and exclusions reduce taxes before credits. As a result, the deduction equivalent of tax credits may be overstated.

Unaudited Data

Tax return data used for Statistics of Income have been tabulated as they were reported on tax returns filed with the Internal Revenue Service (IRS). Certain obvious arithmetic errors have been corrected and certain adjustments have been made to achieve consistent statistical definitions. Otherwise, the data have not been altered. Specifically, the data do not reflect any changes that either may have or could have been made because of IRS audits. While this is true of data throughout the entire Statistics of Income program, it is particularly relevant for high-income tax returns. Because of the greater complexity of these returns, there is a higher probability of error and a broader scope for disagreement about the proper interpretation of tax laws.

The fact that the data have been drawn from unaudited returns is of even greater importance for those high-income returns that are nontaxable. Almost any audit changes would make such returns taxable. Even where the tax consequences are minor, such returns could be reclassified from nontaxable to taxable, thereby changing the counts of nontaxable returns.

Notes to Appendix B

[B1] An exception is that certain income earned abroad may be excluded from AGI. Any foreign taxes paid on such income are not creditable against U.S. income tax. The tables in this article include such excluded income in expanded income. Foreign taxes paid on such income are reflected in worldwide income tax, as discussed later.

[B2] Although the foreign tax credit is an item of tax preference for AMT purposes, taxpayers below the AMT exclusion thresholds, or with preferences or deductions not subject to AMT, could completely offset pre-credit U.S. income tax liability with foreign tax credits.

[B3] Where foreign tax rates exceed U.S. rates, foreign tax credits will be less than foreign tax liabilities. In such cases, using foreign tax credits as a proxy for foreign tax liabilities understates worldwide income tax liability. In other cases, when foreign tax credits are for taxes paid on income from previous years, use of foreign tax credits as a proxy may overstate or understate worldwide taxes on current-year income.

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Table 1. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number of Returns, by Size of Income Under Alternative Concepts, Tax Year 2015

[All figures are estimates based on samples]

| Returns by tax status, size of expanded income | All returns | Returns by size of adjusted gross income | | | |
|---|--------------------|--|--------------------------------|---------------------------------|----------------------|
| | | Under \$50,000 [1] | \$50,000 under \$100,000 | \$100,000 under \$200,000 | \$200,000 or more |
| | (1) | (2) | (3) | (4) | (5) |
| All returns | | | | | |
| Total | 150,493,263 | 92,406,915 | 32,801,909 | 18,532,593 | 6,751,845 |
| Under \$50,000 [1] | 89,929,787 | 89,069,588 | 841,825 | 12,822 | 5,551 |
| \$50,000 under \$100,000 | 35,234,743 | 3,266,410 | 31,430,029 | 532,769 | 5,535 |
| \$100,000 under \$200,000 | 18,544,547 | 66,846 | 524,008 | 17,823,583 | 130,110 |
| \$200,000 or more | 6,784,187 | 4,071 | 6,047 | 163,419 | 6,610,649 |
| Returns with U.S. income tax | | | | | |
| Total | 99,040,729 | 42,651,418 | 31,246,190 | 18,402,358 | 6,740,763 |
| Under \$50,000 [1] | 40,905,348 | 40,194,371 | 698,462 | 8,158 | 4,357 |
| \$50,000 under \$100,000 | 33,004,918 | 2,426,266 | 30,047,337 | 525,947 | 5,369 |
| \$100,000 under \$200,000 | 18,368,572 | 29,278 | 496,933 | 17,712,640 | 129,721 |
| \$200,000 or more | 6,761,890 | 1,503 | 3,458 | 155,612 | 6,601,316 |
| Returns without U.S. income tax | | | | | |
| Total | 51,452,534 | 49,755,497 | 1,555,719 | 130,235 | 11,082 |
| Under \$50,000 [1] | 49,024,438 | 48,875,217 | 143,363 | 4,664 | 1,194 |
| \$50,000 under \$100,000 | 2,229,824 | 840,144 | 1,382,692 | 6,822 | 166 |
| \$100,000 under \$200,000 | 175,975 | 37,568 | 27,074 | 110,943 | 389 |
| \$200,000 or more | 22,297 | 2,568 | 2,589 | 7,806 | 9,333 |

[1] Includes returns with adjusted gross deficit or with negative expanded income.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, June 2018.

Table 2. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number of Returns, by Size of Income Under Alternative Concepts, Tax Year 2015

[All figures are estimates based on samples]

| Returns by tax status, size of expanded income | All returns | Returns by size of adjusted gross income | | | |
|---|--------------------|--|--------------------------------|---------------------------------|----------------------|
| | | Under \$50,000 [1] | \$50,000 under \$100,000 | \$100,000 under \$200,000 | \$200,000 or more |
| | (1) | (2) | (3) | (4) | (5) |
| All returns | | | | | |
| Total | 150,493,263 | 92,406,915 | 32,801,909 | 18,532,593 | 6,751,845 |
| Under \$50,000 [1] | 89,929,787 | 89,069,588 | 841,825 | 12,822 | 5,551 |
| \$50,000 under \$100,000 | 35,234,743 | 3,266,410 | 31,430,029 | 532,769 | 5,535 |
| \$100,000 under \$200,000 | 18,544,547 | 66,846 | 524,008 | 17,823,583 | 130,110 |
| \$200,000 or more | 6,784,187 | 4,071 | 6,047 | 163,419 | 6,610,649 |
| Returns with worldwide income tax | | | | | |
| Total | 99,239,060 | 42,768,580 | 31,291,300 | 18,431,709 | 6,747,472 |
| Under \$50,000 [1] | 40,996,832 | 40,285,851 | 698,462 | 8,158 | 4,360 |
| \$50,000 under \$100,000 | 33,055,093 | 2,440,602 | 30,083,165 | 525,947 | 5,379 |
| \$100,000 under \$200,000 | 18,413,896 | 40,287 | 505,340 | 17,738,465 | 129,803 |
| \$200,000 or more | 6,773,240 | 1,839 | 4,332 | 159,138 | 6,607,930 |
| Returns without worldwide income tax | | | | | |
| Total | 51,254,202 | 49,638,336 | 1,510,609 | 100,884 | 4,373 |
| Under \$50,000 [1] | 48,932,955 | 48,783,737 | 143,363 | 4,664 | 1,191 |
| \$50,000 under \$100,000 | 2,179,650 | 825,808 | 1,346,864 | 6,822 | 156 |
| \$100,000 under \$200,000 | 130,651 | 26,559 | 18,667 | 85,117 | 307 |
| \$200,000 or more | 10,947 | 2,232 | 1,715 | 4,281 | 2,719 |

[1] Includes returns with adjusted gross deficit or with negative expanded income.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, June 2018.

Table 3. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Distribution of Returns by Ratio of Adjusted Taxable Income to Income Per Concept, Tax Year 2015

[All figures are estimates based on samples]

| Tax status, ratio of adjusted taxable income to income per concept | Adjusted gross income concept | | | Expanded income concept | | |
|--|-------------------------------|---------------------|--------------------------------|-------------------------|---------------------|--------------------------------|
| | Number of returns | Percentage of total | Cumulative percentage of total | Number of returns | Percentage of total | Cumulative percentage of total |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Total | 6,751,845 | 100.0 | 100.0 | 6,784,187 | 100.0 | 100.0 |
| Returns without U.S. income tax | 11,082 | 0.2 | 0.2 | 22,297 | 0.3 | 0.3 |
| Returns with U.S. income tax: Total | 6,740,763 | 99.8 | N/A | 6,761,890 | 99.7 | N/A |
| Ratio of adjusted taxable income to income per concept: | | | | | | |
| Over 0 under 5 percent | 18,825 | 0.3 | 0.3 | 21,521 | 0.3 | 0.3 |
| 5 under 10 percent | 14,519 | 0.2 | 0.5 | 17,965 | 0.3 | 0.6 |
| 10 under 15 percent | 13,016 | 0.2 | 0.7 | 14,197 | 0.2 | 0.8 |
| 15 under 20 percent | 10,443 | 0.2 | 0.8 | 16,296 | 0.2 | 1.0 |
| 20 under 25 percent | 11,216 | 0.2 | 1.0 | 16,354 | 0.2 | 1.3 |
| 25 under 30 percent | 15,126 | 0.2 | 1.2 | 22,981 | 0.3 | 1.6 |
| 30 under 35 percent | 17,558 | 0.3 | 1.5 | 23,842 | 0.4 | 2.0 |
| 35 under 40 percent | 26,212 | 0.4 | 1.9 | 31,706 | 0.5 | 2.4 |
| 40 under 45 percent | 31,398 | 0.5 | 2.3 | 42,252 | 0.6 | 3.1 |
| 45 under 50 percent | 48,815 | 0.7 | 3.1 | 55,497 | 0.8 | 3.9 |
| 50 under 60 percent | 163,529 | 2.4 | 5.5 | 192,735 | 2.8 | 6.7 |
| 60 under 70 percent | 406,955 | 6.0 | 11.5 | 430,353 | 6.3 | 13.1 |
| 70 under 80 percent | 1,421,473 | 21.1 | 32.6 | 1,370,349 | 20.2 | 33.3 |
| 80 percent or more | 4,541,679 | 67.3 | 99.8 | 4,505,842 | 66.4 | 99.7 |

N/A—Not applicable.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, June 2018.

Table 4. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Distribution of Returns by Ratio of Adjusted Taxable Income to Income Per Concept, Tax Year 2015

[All figures are estimates based on samples]

| Tax status, ratio of adjusted taxable income to income per concept | Adjusted gross income concept | | | Expanded income concept | | |
|--|-------------------------------|---------------------|--------------------------------|-------------------------|---------------------|--------------------------------|
| | Number of returns | Percentage of total | Cumulative percentage of total | Number of returns | Percentage of total | Cumulative percentage of total |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Total | 6,751,845 | 100.0 | 100.0 | 6,784,187 | 100.0 | 100.0 |
| Returns without worldwide income tax | 4,373 | 0.1 | 0.1 | 10,947 | 0.2 | 0.2 |
| Returns with worldwide income tax: Total | 6,747,472 | 99.9 | N/A | 6,773,240 | 99.8 | N/A |
| Ratio of adjusted taxable income to income per concept: | | | | | | |
| Over 0 under 5 percent | 5,410 | 0.1 | 0.1 | 4,339 | 0.1 | 0.1 |
| 5 under 10 percent | 6,638 | 0.1 | 0.2 | 6,066 | 0.1 | 0.2 |
| 10 under 15 percent | 6,987 | 0.1 | 0.3 | 8,791 | 0.1 | 0.3 |
| 15 under 20 percent | 5,369 | 0.1 | 0.4 | 8,393 | 0.1 | 0.4 |
| 20 under 25 percent | 7,090 | 0.1 | 0.5 | 12,188 | 0.2 | 0.6 |
| 25 under 30 percent | 10,958 | 0.2 | 0.6 | 15,744 | 0.2 | 0.8 |
| 30 under 35 percent | 11,867 | 0.2 | 0.8 | 17,858 | 0.3 | 1.1 |
| 35 under 40 percent | 23,631 | 0.3 | 1.2 | 28,203 | 0.4 | 1.5 |
| 40 under 45 percent | 27,254 | 0.4 | 1.6 | 36,006 | 0.5 | 2.0 |
| 45 under 50 percent | 42,606 | 0.6 | 2.2 | 50,101 | 0.7 | 2.8 |
| 50 under 60 percent | 150,061 | 2.2 | 4.4 | 181,263 | 2.7 | 5.4 |
| 60 under 70 percent | 402,503 | 6.0 | 10.4 | 427,404 | 6.3 | 11.7 |
| 70 under 80 percent | 1,399,003 | 20.7 | 31.1 | 1,361,706 | 20.1 | 31.8 |
| 80 percent or more | 4,648,094 | 68.8 | 99.9 | 4,615,177 | 68.0 | 99.8 |

N/A- Not applicable.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, June 2018.

Table 5. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2015

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

| Income concept, item | Returns with income of \$200,000 or more | | | | | |
|--|--|----------------------|------------------------------|----------------------|---------------------------------|------------------|
| | Total | | Returns with U.S. income tax | | Returns without U.S. income tax | |
| | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Adjusted Gross Income Concept | | | | | | |
| Salaries and wages | 5,946,351 | 1,838,801,966 | 5,938,560 | 1,836,332,940 | 7,790 | 2,469,026 |
| Business or profession: | | | | | | |
| Net income | 1,219,804 | 124,906,374 | 1,218,354 | 124,730,064 | 1,450 | 176,309 |
| Net loss | 392,244 | 8,773,496 | 391,504 | 8,731,401 | 740 | 42,095 |
| Farm: | | | | | | |
| Net income | 50,244 | 4,363,714 | 50,167 | 4,358,603 | 77 | 5,111 |
| Net loss | 101,290 | 5,088,329 | 101,037 | 5,064,015 | 253 | 24,314 |
| Partnership and S Corporation net income after Section 179 property deduction: [1] | | | | | | |
| Net income | 1,917,632 | 635,070,801 | 1,916,072 | 634,788,873 | 1,560 | 281,928 |
| Net loss | 536,919 | 52,729,709 | 535,164 | 52,268,778 | 1,755 | 460,931 |
| Sales of capital assets: | | | | | | |
| Net gain | 2,979,046 | 599,931,293 | 2,975,926 | 599,248,408 | 3,120 | 682,885 |
| Net loss | 1,426,928 | 3,493,816 | 1,423,919 | 3,485,782 | 3,009 | 8,034 |
| Sales of property other than capital assets: | | | | | | |
| Net gain | 336,429 | 24,751,357 | 335,664 | 24,704,744 | 765 | 46,613 |
| Net loss | 324,903 | 6,331,296 | 324,183 | 6,273,291 | 720 | 58,005 |
| Taxable interest received | 5,344,003 | 56,562,014 | 5,337,434 | 56,363,557 | 6,569 | 198,458 |
| Tax-exempt interest | 1,592,959 | 36,548,777 | 1,590,699 | 36,411,848 | 2,260 | 136,929 |
| Dividends | 4,486,657 | 165,587,889 | 4,481,241 | 165,146,929 | 5,416 | 440,960 |
| Qualified dividends | 4,340,388 | 134,347,577 | 4,335,599 | 134,020,366 | 4,789 | 327,211 |
| Pensions and annuities in adjusted gross income | 1,555,267 | 84,708,550 | 1,553,534 | 84,618,854 | 1,733 | 89,696 |
| Rent: | | | | | | |
| Net income | 790,312 | 33,132,881 | 789,263 | 33,085,744 | 1,049 | 47,136 |
| Net loss, total (deductible and nondeductible) | 876,274 | 13,664,240 | 874,510 | 13,603,455 | 1,764 | 60,785 |
| Nondeductible rental loss | 680,273 | 8,791,131 | 678,937 | 8,754,874 | 1,336 | 36,257 |
| Royalty: | | | | | | |
| Net income | 462,591 | 15,595,154 | 461,626 | 15,581,386 | 965 | 13,768 |
| Net loss | 29,716 | 212,955 | 29,631 | 212,444 | 85 | 511 |
| Estate or trust: | | | | | | |
| Net income | 153,021 | 24,906,913 | 152,801 | 24,892,487 | 220 | 14,426 |
| Net loss | 20,569 | 3,677,001 | 20,480 | 3,662,720 | 89 | 14,281 |
| State income tax refunds | 2,431,655 | 14,262,375 | 2,430,266 | 14,236,664 | 1,389 | 25,711 |
| Alimony received | 12,625 | 2,132,939 | 12,607 | 2,130,334 | 18 | 2,605 |
| Social Security benefits in adjusted gross income | 1,188,592 | 31,735,511 | 1,186,433 | 31,674,905 | 2,158 | 60,607 |
| Social Security benefits (nontaxable) | 1,188,669 | 5,606,685 | 1,186,487 | 5,591,088 | 2,182 | 15,597 |
| Unemployment compensation | 135,279 | 756,233 | 135,208 | 754,285 | 71 | 1,949 |
| Other income | 884,135 | 23,749,527 | 882,341 | 23,461,351 | 1,794 | 288,175 |
| Other loss | 50,998 | 1,896,191 | 50,377 | 1,876,451 | 621 | 19,740 |
| Foreign-earned income exclusion | 41,686 | 3,776,335 | 39,786 | 3,585,931 | 1,900 | 190,404 |
| Total income | 6,751,845 | 3,658,196,787 | 6,740,763 | 3,653,699,240 | 11,082 | 4,497,547 |
| Statutory adjustments, total | 2,686,210 | 58,521,747 | 2,683,708 | 58,475,682 | 2,502 | 46,065 |
| Payments to Individual Retirement Arrangements | 166,430 | 1,584,953 | 166,259 | 1,583,496 | 171 | 1,457 |
| Payments to self-employed retirement (Keogh) plans | 492,896 | 17,169,929 | 492,745 | 17,164,742 | 151 | 5,187 |
| Moving expenses adjustment | 84,044 | 566,564 | 83,963 | 565,900 | 81 | 664 |
| Adjusted gross income | 6,751,845 | 3,599,675,040 | 6,740,763 | 3,595,223,558 | 11,082 | 4,451,482 |
| Investment interest expense deduction | 713,408 | 12,800,454 | 711,665 | 12,398,310 | 1,743 | 402,143 |
| Total tax preferences excluded from adjusted gross income [2] | 1,610,765 | 39,270,682 | 1,608,468 | 39,138,613 | 2,297 | 132,069 |
| Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds) | 30,741 | 2,846,637 | 30,683 | 2,846,095 | 58 | 542 |
| Passive activity loss (alternative minimum tax adjustment) | 719,979 | 1,254,250 | 718,888 | 1,252,880 | 1,091 | 1,370 |

Footnotes at end of table.

Table 5. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2015—Continued

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

| Income concept, item | Returns with income of \$200,000 or more | | | | | |
|--|--|----------------------|------------------------------|----------------------|---------------------------------|------------------|
| | Total | | Returns with U.S. income tax | | Returns without U.S. income tax | |
| | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Expanded income | 6,751,637 | 3,610,448,176 | 6,740,763 | 3,606,853,518 | 10,874 | 3,594,658 |
| Exemption | 4,975,208 | 50,951,651 | 4,966,805 | 50,868,968 | 8,403 | 82,683 |
| Itemized deductions: | | | | | | |
| Total per adjusted gross income concept | 6,305,746 | 465,359,021 | 6,298,893 | 463,065,615 | 6,852 | 2,293,406 |
| Charitable contributions deduction | 5,805,019 | 114,704,523 | 5,799,919 | 114,488,072 | 5,100 | 216,452 |
| Interest paid deduction: | | | | | | |
| Total per adjusted gross income concept | 5,078,167 | 81,698,480 | 5,073,428 | 81,199,130 | 4,739 | 499,351 |
| Total home mortgage interest | 4,852,652 | 68,631,856 | 4,848,613 | 68,535,229 | 4,039 | 96,626 |
| Medical and dental expense deduction | 168,740 | 4,650,125 | 167,231 | 4,479,269 | 1,509 | 170,855 |
| Net casualty or theft loss deduction | 3,999 | 397,678 | 3,751 | 267,380 | 248 | 130,299 |
| Taxes paid deduction | 6,299,645 | 270,225,071 | 6,293,249 | 269,918,443 | 6,396 | 306,628 |
| Net limited miscellaneous deductions per adjusted gross income concept | 1,118,131 | 26,123,592 | 1,115,626 | 25,913,980 | 2,505 | 209,612 |
| Nonlimited miscellaneous deductions | 304,196 | 15,375,772 | 302,397 | 14,591,157 | 1,799 | 784,615 |
| Excess of exemptions and deductions over adjusted gross income | 9,347 | 2,546,918 | 6,913 | 2,034,398 | 2,434 | 512,520 |
| Taxable income | 6,742,471 | 3,080,378,300 | 6,733,848 | 3,077,837,105 | 8,623 | 2,541,195 |
| Tax at regular rates | 6,736,210 | 831,497,581 | 6,729,070 | 830,790,296 | 7,140 | 707,285 |
| Alternative minimum tax (Form 6251) | 3,711,883 | 29,198,168 | 3,711,606 | 29,196,039 | 277 | 2,128 |
| Income tax before credits | 6,745,287 | 860,738,188 | 6,738,102 | 860,028,728 | 7,185 | 709,460 |
| Tax credits, total | 3,088,982 | 25,106,987 | 3,081,796 | 24,397,364 | 7,185 | 709,623 |
| Child care credit | 657,247 | 376,571 | 657,154 | 376,530 | 93 | 40 |
| Minimum tax credit | 152,743 | 750,308 | 152,559 | 748,330 | 184 | 1,978 |
| Foreign tax credit | 2,288,752 | 20,037,708 | 2,282,044 | 19,340,594 | 6,708 | 697,114 |
| General business credit | 181,778 | 3,243,080 | 181,463 | 3,238,217 | 315 | 4,863 |
| U.S. total income tax | 6,740,763 | 857,650,398 | 6,740,763 | 857,650,398 | 0 | 0 |
| Taxable income which would yield: | | | | | | |
| Income tax before credits less excess advance PTC repayment [3] | 6,744,984 | 2,860,226,236 | 6,737,800 | 2,857,778,312 | 7,184 | 2,447,924 |
| Income tax after credits | 6,728,793 | 2,790,307,655 | 6,728,793 | 2,790,307,655 | 0 | 0 |
| U.S. total income tax | 6,740,763 | 2,848,204,356 | 6,740,763 | 2,848,204,356 | 0 | 0 |
| Reconciliation of adjusted gross income and expanded income: | | | | | | |
| Adjusted gross income | 6,751,845 | 3,599,675,040 | 6,740,763 | 3,595,223,558 | 11,082 | 4,451,482 |
| plus: Total tax preferences excluded from adjusted gross income [2] | 1,610,765 | 39,270,682 | 1,608,468 | 39,138,613 | 2,297 | 132,069 |
| Social Security benefits (nontaxable) | 1,188,669 | 5,606,685 | 1,186,487 | 5,591,088 | 2,182 | 15,597 |
| Foreign-earned income exclusion | 41,686 | 3,776,335 | 39,786 | 3,585,931 | 1,900 | 190,404 |
| minus: Investment interest expense deduction | 713,408 | 12,800,454 | 711,665 | 12,398,310 | 1,743 | 402,143 |
| Nonlimited miscellaneous deductions | 304,196 | 15,375,772 | 302,397 | 14,591,157 | 1,799 | 784,615 |
| Unreimbursed employee business expenses | 1,298,548 | 9,704,341 | 1,297,873 | 9,696,206 | 674 | 8,135 |
| Equals: Expanded income | 6,751,637 | 3,610,448,176 | 6,740,763 | 3,606,853,518 | 10,874 | 3,594,658 |

Footnotes at end of table.

Table 5. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2015—Continued

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

| Income concept, item | Returns with income of \$200,000 or more | | | | | |
|--|--|----------------------|------------------------------|----------------------|---------------------------------|------------------|
| | Total | | Returns with U.S. income tax | | Returns without U.S. income tax | |
| | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Expanded Income Concept | | | | | | |
| Salaries and wages | 5,912,522 | 1,828,910,746 | 5,899,049 | 1,825,330,953 | 13,473 | 3,579,793 |
| Business or profession: | | | | | | |
| Net income | 1,227,395 | 125,453,694 | 1,225,054 | 125,231,163 | 2,341 | 222,532 |
| Net loss | 385,784 | 8,629,305 | 384,524 | 8,519,202 | 1,260 | 110,103 |
| Farm: | | | | | | |
| Net income | 50,525 | 4,412,100 | 50,403 | 4,406,732 | 122 | 5,368 |
| Net loss | 99,631 | 5,043,949 | 99,205 | 5,006,693 | 426 | 37,257 |
| Partnership and S Corporation net income after Section 179 property | | | | | | |
| Net income | 1,932,692 | 635,192,046 | 1,929,883 | 634,903,789 | 2,808 | 288,257 |
| Net loss | 546,448 | 52,904,884 | 542,505 | 52,101,737 | 3,943 | 803,146 |
| Sales of capital assets: | | | | | | |
| Net gain | 3,036,496 | 601,268,057 | 3,029,054 | 600,529,228 | 7,441 | 738,829 |
| Net loss | 1,454,092 | 3,571,785 | 1,446,815 | 3,551,880 | 7,277 | 19,905 |
| Sales of property other than capital assets: | | | | | | |
| Net gain | 342,552 | 24,770,818 | 340,862 | 24,714,899 | 1,690 | 55,919 |
| Net loss | 329,340 | 6,314,694 | 327,871 | 6,237,169 | 1,469 | 77,525 |
| Taxable interest received | 5,418,798 | 56,855,229 | 5,402,682 | 56,580,335 | 16,116 | 274,894 |
| Tax-exempt interest | 1,687,790 | 43,721,131 | 1,677,826 | 41,547,141 | 9,963 | 2,173,990 |
| Dividends | 4,575,755 | 169,158,569 | 4,561,792 | 168,158,040 | 13,962 | 1,000,530 |
| Qualified dividends | 4,426,856 | 137,062,566 | 4,414,119 | 136,354,363 | 12,737 | 708,203 |
| Pensions and annuities in adjusted gross income | 1,616,205 | 88,046,973 | 1,611,815 | 87,892,972 | 4,390 | 154,001 |
| Rent: | | | | | | |
| Net income | 802,930 | 33,386,190 | 800,819 | 33,321,975 | 2,111 | 64,215 |
| Net loss, total (deductible and nondeductible) | 879,544 | 13,677,712 | 876,217 | 13,583,621 | 3,327 | 94,091 |
| Nondeductible rental loss | 681,717 | 8,806,101 | 679,692 | 8,753,218 | 2,025 | 52,883 |
| Royalty: | | | | | | |
| Net income | 483,496 | 15,856,352 | 480,993 | 15,838,448 | 2,503 | 17,903 |
| Net loss | 31,125 | 216,842 | 30,935 | 214,099 | 190 | 2,742 |
| Estate or trust: | | | | | | |
| Net income | 158,783 | 24,952,035 | 158,128 | 24,930,233 | 655 | 21,802 |
| Net loss | 21,629 | 3,704,738 | 21,421 | 3,662,021 | 208 | 42,718 |
| State income tax refunds | 2,409,086 | 14,235,125 | 2,406,332 | 14,199,806 | 2,754 | 35,319 |
| Alimony received | 13,089 | 2,147,460 | 13,070 | 2,144,634 | 19 | 2,826 |
| Social Security benefits in adjusted gross income | 1,288,127 | 34,508,362 | 1,281,075 | 34,337,259 | 7,052 | 171,103 |
| Social Security benefits (nontaxable) | 1,288,232 | 6,096,822 | 1,281,130 | 6,061,084 | 7,102 | 35,738 |
| Unemployment compensation | 127,973 | 726,485 | 127,883 | 724,400 | 90 | 2,085 |
| Other income | 891,662 | 23,731,119 | 888,149 | 23,430,276 | 3,513 | 300,843 |
| Other loss | 64,273 | 2,190,964 | 62,593 | 2,150,163 | 1,680 | 40,801 |
| Foreign-earned income exclusion | 73,885 | 7,329,739 | 66,985 | 6,512,011 | 6,901 | 817,728 |
| Total income | 6,784,179 | 3,653,511,609 | 6,761,890 | 3,648,632,846 | 22,289 | 4,878,763 |
| Statutory adjustments, total | 2,693,432 | 58,755,476 | 2,689,063 | 58,690,541 | 4,369 | 64,935 |
| Payments to Individual Retirement Arrangements | 168,554 | 1,603,047 | 168,174 | 1,599,832 | 380 | 3,215 |
| Payments to self-employed retirement (Keogh) plans | 496,802 | 17,254,419 | 496,564 | 17,246,191 | 238 | 8,228 |
| Moving expenses adjustment | 81,738 | 540,237 | 81,596 | 539,155 | 142 | 1,082 |
| Adjusted gross income | 6,784,180 | 3,594,756,134 | 6,761,890 | 3,589,942,305 | 22,290 | 4,813,829 |
| Investment interest expense deduction | 718,216 | 11,885,766 | 715,208 | 11,661,810 | 3,008 | 223,956 |
| Total tax preferences excluded from adjusted gross income [2] | 1,706,897 | 46,796,378 | 1,696,909 | 44,620,348 | 9,988 | 2,176,030 |
| Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds) | 34,154 | 3,163,114 | 34,039 | 3,160,131 | 115 | 2,984 |
| Passive activity loss (alternative minimum tax adjustment) | 736,008 | 1,357,769 | 733,530 | 1,354,494 | 2,478 | 3,275 |

Footnotes at end of table.

Table 5. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2015—Continued

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

| Income concept, item | Returns with income of \$200,000 or more | | | | | |
|--|--|----------------------|------------------------------|----------------------|---------------------------------|------------------|
| | Total | | Returns with U.S. income tax | | Returns without U.S. income tax | |
| | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Expanded income | 6,784,187 | 3,626,844,104 | 6,761,890 | 3,619,274,399 | 22,297 | 7,569,705 |
| Exemption | 5,013,622 | 50,862,084 | 4,993,483 | 50,671,921 | 20,140 | 190,163 |
| Itemized deductions: | | | | | | |
| Total per adjusted gross income concept | 6,292,604 | 456,952,600 | 6,278,962 | 454,829,583 | 13,641 | 2,123,017 |
| Total per expanded income concept | 6,292,325 | 480,102,827 | 6,278,710 | 478,215,588 | 13,615 | 1,887,239 |
| Charitable contributions deduction | 5,794,409 | 114,982,431 | 5,783,215 | 114,644,888 | 11,193 | 337,542 |
| Interest paid deduction: | | | | | | |
| Total per adjusted gross income concept | 5,032,336 | 80,085,444 | 5,024,608 | 79,731,587 | 7,728 | 353,857 |
| Total per expanded income concept | 4,808,882 | 68,199,678 | 4,802,831 | 68,069,777 | 6,051 | 129,901 |
| Total home mortgage interest | 4,797,855 | 67,939,449 | 4,791,844 | 67,810,203 | 6,010 | 129,246 |
| Medical and dental expense deduction | 196,565 | 5,205,577 | 190,066 | 4,772,158 | 6,499 | 433,419 |
| Net casualty or theft loss deduction | 3,720 | 391,912 | 3,451 | 259,384 | 269 | 132,528 |
| Taxes paid deduction | 6,286,330 | 270,380,734 | 6,273,270 | 269,865,932 | 13,060 | 514,802 |
| Net limited miscellaneous deductions per adjusted gross income concept | 1,068,272 | 25,464,418 | 1,060,668 | 25,119,833 | 7,604 | 344,585 |
| Nonlimited miscellaneous deductions | 275,617 | 8,192,878 | 274,500 | 8,170,102 | 1,117 | 22,777 |
| Excess of exemptions and deductions over adjusted gross income | 12,781 | 2,602,128 | 7,128 | 1,899,771 | 5,653 | 702,357 |
| Taxable income | 6,771,402 | 3,083,456,653 | 6,754,761 | 3,080,347,267 | 16,641 | 3,109,386 |
| Tax at regular rates | 6,762,084 | 831,961,936 | 6,750,193 | 831,132,450 | 11,892 | 829,486 |
| Alternative minimum tax (Form 6251) | 3,675,696 | 29,136,208 | 3,675,341 | 29,134,029 | 355 | 2,179 |
| Income tax before credits | 6,772,162 | 861,140,696 | 6,760,181 | 860,308,982 | 11,982 | 831,714 |
| Tax credits, total | 3,148,575 | 25,663,867 | 3,136,593 | 24,831,982 | 11,982 | 831,886 |
| Child care credit | 641,334 | 367,392 | 641,202 | 367,336 | 132 | 56 |
| Minimum tax credit | 153,720 | 751,722 | 153,383 | 749,515 | 337 | 2,208 |
| Foreign tax credit | 2,365,237 | 20,603,724 | 2,353,897 | 19,785,492 | 11,340 | 818,232 |
| General business credit | 183,214 | 3,243,679 | 182,833 | 3,238,832 | 381 | 4,847 |
| U.S. total income tax | 6,761,890 | 857,487,601 | 6,761,890 | 857,487,601 | 0 | 0 |
| Taxable income which would yield: | | | | | | |
| Income tax before credits less excess advance PTC repayment [3] | 6,772,150 | 2,862,196,642 | 6,760,181 | 2,859,166,216 | 11,970 | 3,030,425 |
| Income tax after credits | 6,750,330 | 2,789,869,037 | 6,750,330 | 2,789,869,037 | 0 | 0 |
| U.S. total income tax | 6,761,890 | 2,847,734,525 | 6,761,890 | 2,847,734,525 | 0 | 0 |
| Reconciliation of adjusted gross income and expanded income: | | | | | | |
| Adjusted gross income | 6,784,180 | 3,594,756,134 | 6,761,890 | 3,589,942,305 | 22,290 | 4,813,829 |
| plus: Total tax preferences excluded from adjusted gross income [2] | 1,706,897 | 46,796,378 | 1,696,909 | 44,620,348 | 9,988 | 2,176,030 |
| Social Security benefits (nontaxable) | 1,288,232 | 6,096,822 | 1,281,130 | 6,061,084 | 7,102 | 35,738 |
| Foreign-earned income exclusion | 73,885 | 7,329,739 | 66,985 | 6,512,011 | 6,901 | 817,728 |
| minus: Investment interest expense deduction | 718,216 | 11,885,766 | 715,208 | 11,661,810 | 3,008 | 223,956 |
| Nonlimited miscellaneous deductions | 275,617 | 8,192,878 | 274,500 | 8,170,102 | 1,117 | 22,777 |
| Unreimbursed employee business expenses | 1,205,725 | 8,034,073 | 1,204,727 | 8,027,301 | 997 | 6,772 |
| Equals: Expanded income | 6,784,187 | 3,626,844,104 | 6,761,890 | 3,619,274,399 | 22,297 | 7,569,705 |

[1] Section 179 of the Internal Revenue Code permits certain taxpayers to elect to deduct all or part of the cost of certain qualifying property in the year they place it in service, instead of taking depreciation deductions over a specified recovery period.

[2] Includes tax-exempt interest and tax preference items subject to alternative minimum tax.

[3] Excess advance premium tax credit repayment is included in income tax before credits on Form 1040 but is subtracted here because it is not considered a part of income tax since it is not based on earned income.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, June 2018.

Table 6. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2015

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

| Income concept, item | Returns with income of \$200,000 or more | | | | | |
|--|--|----------------------|-----------------------------------|----------------------|--------------------------------------|------------------|
| | Total | | Returns with worldwide income tax | | Returns without worldwide income tax | |
| | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Adjusted Gross Income Concept | | | | | | |
| Salaries and wages | 5,946,351 | 1,838,801,966 | 5,944,446 | 1,838,539,027 | 1,905 | 262,940 |
| Business or profession: | | | | | | |
| Net income | 1,219,804 | 124,906,374 | 1,219,109 | 124,863,347 | 695 | 43,027 |
| Net loss | 392,244 | 8,773,496 | 391,774 | 8,740,774 | 470 | 32,722 |
| Farm: | | | | | | |
| Net income | 50,244 | 4,363,714 | 50,183 | 4,359,203 | 61 | 4,511 |
| Net loss | 101,290 | 5,088,329 | 101,154 | 5,068,930 | 136 | 19,399 |
| Partnership and S Corporation net income after Section 179 property deduction: [1] | | | | | | |
| Net income | 1,917,632 | 635,070,801 | 1,916,600 | 634,930,725 | 1,032 | 140,076 |
| Net loss | 536,919 | 52,729,709 | 535,590 | 52,348,766 | 1,329 | 380,942 |
| Sales of capital assets: | | | | | | |
| Net gain | 2,979,046 | 599,931,293 | 2,976,908 | 599,450,633 | 2,138 | 480,661 |
| Net loss | 1,426,928 | 3,493,816 | 1,425,707 | 3,490,357 | 1,221 | 3,459 |
| Sales of property other than capital assets: | | | | | | |
| Net gain | 336,429 | 24,751,357 | 335,800 | 24,710,397 | 629 | 40,960 |
| Net loss | 324,903 | 6,331,296 | 324,369 | 6,282,264 | 534 | 49,032 |
| Taxable interest received | 5,344,003 | 56,562,014 | 5,340,681 | 56,387,925 | 3,322 | 174,089 |
| Tax-exempt interest | 1,592,959 | 36,548,777 | 1,591,087 | 36,421,765 | 1,872 | 127,012 |
| Dividends | 4,486,657 | 165,587,889 | 4,483,709 | 165,285,723 | 2,948 | 302,166 |
| Qualified dividends | 4,340,388 | 134,347,577 | 4,337,534 | 134,121,230 | 2,854 | 226,347 |
| Pensions and annuities in adjusted gross income | 1,555,267 | 84,708,550 | 1,554,005 | 84,646,290 | 1,262 | 62,260 |
| Rent: | | | | | | |
| Net income | 790,312 | 33,132,881 | 789,731 | 33,106,633 | 581 | 26,247 |
| Net loss, total (deductible and nondeductible) | 876,274 | 13,664,240 | 875,630 | 13,634,820 | 644 | 29,421 |
| Nondeductible rental loss | 680,273 | 8,791,131 | 679,864 | 8,779,094 | 409 | 12,037 |
| Royalty: | | | | | | |
| Net income | 462,591 | 15,595,154 | 461,805 | 15,584,571 | 786 | 10,583 |
| Net loss | 29,716 | 212,955 | 29,645 | 212,649 | 71 | 306 |
| Estate or trust: | | | | | | |
| Net income | 153,021 | 24,906,913 | 152,849 | 24,896,230 | 172 | 10,683 |
| Net loss | 20,569 | 3,677,001 | 20,495 | 3,663,149 | 74 | 13,852 |
| State income tax refunds | 2,431,655 | 14,262,375 | 2,430,639 | 14,239,130 | 1,016 | 23,245 |
| Alimony received | 12,625 | 2,132,939 | 12,617 | 2,132,576 | 8 | 363 |
| Social Security benefits in adjusted gross income | 1,188,592 | 31,735,511 | 1,186,717 | 31,681,491 | 1,874 | 54,020 |
| Social Security benefits (nontaxable) | 1,188,669 | 5,606,685 | 1,186,795 | 5,592,674 | 1,874 | 14,011 |
| Unemployment compensation | 135,279 | 756,233 | 135,233 | 755,846 | 46 | 387 |
| Other income | 884,135 | 23,749,527 | 883,162 | 23,553,412 | 973 | 196,115 |
| Other loss | 50,998 | 1,896,191 | 50,943 | 1,894,183 | 55 | 2,009 |
| Foreign-earned income exclusion | 41,686 | 3,776,335 | 41,677 | 3,775,632 | 9 | 703 |
| Total income | 6,751,845 | 3,658,196,787 | 6,747,472 | 3,656,365,502 | 4,373 | 1,831,286 |
| Statutory adjustments, total | 2,686,210 | 58,521,747 | 2,684,645 | 58,493,094 | 1,565 | 28,654 |
| Payments to Individual Retirement Arrangements | 166,430 | 1,584,953 | 166,350 | 1,584,229 | 80 | 723 |
| Payments to self-employed retirement (Keogh) plans | 492,896 | 17,169,929 | 492,800 | 17,166,646 | 96 | 3,283 |
| Moving expenses adjustment | 84,044 | 566,564 | 84,027 | 566,334 | 17 | 230 |
| Adjusted gross income | 6,751,845 | 3,599,675,040 | 6,747,472 | 3,597,872,408 | 4,373 | 1,802,632 |
| Investment interest expense deduction | 713,408 | 12,800,454 | 712,062 | 12,409,189 | 1,346 | 391,265 |
| Total tax preferences excluded from adjusted gross income [2] | 1,610,765 | 39,270,682 | 1,608,862 | 39,148,490 | 1,903 | 122,192 |
| Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds) | 30,741 | 2,846,637 | 30,691 | 2,846,133 | 50 | 504 |
| Passive activity loss (alternative minimum tax adjustment) | 719,979 | 1,254,250 | 719,180 | 1,252,819 | 799 | 1,431 |

Footnotes at end of table.

Table 6. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2015—Continued

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

| Income concept, item | Returns with income of \$200,000 or more | | | | | |
|--|--|----------------------|-----------------------------------|----------------------|--------------------------------------|------------------|
| | Total | | Returns with worldwide income tax | | Returns without worldwide income tax | |
| | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Expanded income | 6,751,637 | 3,610,448,176 | 6,747,472 | 3,609,682,427 | 4,165 | 765,749 |
| Exemption | 4,975,208 | 50,951,651 | 4,971,509 | 50,914,527 | 3,699 | 37,124 |
| Itemized deductions: | | | | | | |
| Total per adjusted gross income concept | 6,305,746 | 465,359,021 | 6,301,410 | 463,206,651 | 4,336 | 2,152,370 |
| Charitable contributions deduction | 5,805,019 | 114,704,523 | 5,801,530 | 114,527,609 | 3,489 | 176,915 |
| Interest paid deduction: | | | | | | |
| Total per adjusted gross income concept | 5,078,167 | 81,698,480 | 5,075,439 | 81,243,067 | 2,728 | 455,414 |
| Total home mortgage interest | 4,852,652 | 68,631,856 | 4,850,484 | 68,568,182 | 2,168 | 63,673 |
| Medical and dental expense deduction | 168,740 | 4,650,125 | 167,362 | 4,482,613 | 1,378 | 167,512 |
| Net casualty or theft loss deduction | 3,999 | 397,678 | 3,757 | 268,742 | 242 | 128,937 |
| Taxes paid deduction | 6,299,645 | 270,225,071 | 6,295,401 | 269,959,454 | 4,244 | 265,617 |
| Net limited miscellaneous deductions per adjusted gross income concept | 1,118,131 | 26,123,592 | 1,116,152 | 25,926,044 | 1,979 | 197,548 |
| Nonlimited miscellaneous deductions | 304,196 | 15,375,772 | 302,555 | 14,597,942 | 1,641 | 777,830 |
| Excess of exemptions and deductions over adjusted gross income | 9,347 | 2,546,918 | 6,915 | 2,034,572 | 2,432 | 512,346 |
| Taxable income | 6,742,471 | 3,080,378,300 | 6,740,554 | 3,080,257,382 | 1,917 | 120,918 |
| Tax at regular rates | 6,736,210 | 831,497,581 | 6,735,776 | 831,490,331 | 434 | 7,250 |
| Alternative minimum tax (Form 6251) | 3,711,883 | 29,198,168 | 3,711,725 | 29,196,711 | 158 | 1,456 |
| Income tax before credits | 6,745,287 | 860,738,188 | 6,744,808 | 860,729,481 | 479 | 8,706 |
| Tax credits, total | 3,088,982 | 25,106,987 | 3,088,502 | 25,098,227 | 479 | 8,760 |
| Child care credit | 657,247 | 376,571 | 657,210 | 376,550 | 37 | 21 |
| Minimum tax credit | 152,743 | 750,308 | 152,649 | 748,697 | 94 | 1,611 |
| General business credit | 181,778 | 3,243,080 | 181,581 | 3,239,620 | 197 | 3,460 |
| Worldwide total income tax | 6,747,472 | 878,107,634 | 6,747,472 | 878,107,634 | 0 | 0 |
| Foreign taxes paid [3] | 2,288,896 | 20,457,244 | ** 2,288,896 | ** 20,457,244 | ** | ** |
| Foreign taxes paid on excluded foreign-earned income (Form 1116) | 10,921 | 419,536 | 10,921 | 419,536 | 0 | 0 |
| Taxable income which would yield: | | | | | | |
| Income tax before credits less excess advance PTC repayment [4] | 6,744,984 | 2,860,226,236 | 6,744,506 | 2,860,180,028 | 478 | 46,208 |
| Income tax after credits [3] | 6,744,367 | 2,847,126,255 | ** 6,744,367 | ** 2,847,126,255 | ** | ** |
| Worldwide total income tax [3] | 6,747,474 | 2,904,729,633 | ** 6,747,474 | ** 2,904,729,633 | ** | ** |
| Reconciliation of adjusted gross income and expanded income: | | | | | | |
| Adjusted gross income | 6,751,845 | 3,599,675,040 | 6,747,472 | 3,597,872,408 | 4,373 | 1,802,632 |
| plus: Total tax preferences excluded from adjusted gross income [2] | 1,610,765 | 39,270,682 | 1,608,862 | 39,148,490 | 1,903 | 122,192 |
| Social Security benefits (nontaxable) | 1,188,669 | 5,606,685 | 1,186,795 | 5,592,674 | 1,874 | 14,011 |
| Foreign-earned income exclusion | 41,686 | 3,776,335 | 41,677 | 3,775,632 | 9 | 703 |
| minus: Investment interest expense deduction | 713,408 | 12,800,454 | 712,062 | 12,409,189 | 1,346 | 391,265 |
| Nonlimited miscellaneous deductions | 304,196 | 15,375,772 | 302,555 | 14,597,942 | 1,641 | 777,830 |
| Unreimbursed employee business expenses | 1,298,548 | 9,704,341 | 1,298,182 | 9,699,647 | 366 | 4,694 |
| Equals: Expanded income | 6,751,637 | 3,610,448,176 | 6,747,472 | 3,609,682,427 | 4,165 | 765,749 |

Footnotes at end of table.

Table 6. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2015—Continued

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

| Income concept, item | Returns with income of \$200,000 or more | | | | | |
|--|--|----------------------|-----------------------------------|----------------------|--------------------------------------|------------------|
| | Total | | Returns with worldwide income tax | | Returns without worldwide income tax | |
| | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Expanded Income Concept | | | | | | |
| Salaries and wages | 5,912,522 | 1,828,910,746 | 5,909,204 | 1,828,505,225 | 3,318 | 405,522 |
| Business or profession: | | | | | | |
| Net income | 1,227,395 | 125,453,694 | 1,226,272 | 125,399,451 | 1,123 | 54,243 |
| Net loss | 385,784 | 8,629,305 | 384,924 | 8,530,023 | 860 | 99,283 |
| Farm: | | | | | | |
| Net income | 50,525 | 4,412,100 | 50,425 | 4,407,558 | 100 | 4,542 |
| Net loss | 99,631 | 5,043,949 | 99,348 | 5,012,106 | 283 | 31,843 |
| Partnership and S Corporation net income after Section 179 property deduction: [1] | | | | | | |
| Net income | 1,932,692 | 635,192,046 | 1,930,596 | 635,052,565 | 2,095 | 139,481 |
| Net loss | 546,448 | 52,904,884 | 543,163 | 52,188,274 | 3,285 | 716,609 |
| Sales of capital assets: | | | | | | |
| Net gain | 3,036,496 | 601,268,057 | 3,030,869 | 600,749,952 | 5,626 | 518,105 |
| Net loss | 1,454,092 | 3,571,785 | 1,449,575 | 3,558,854 | 4,517 | 12,931 |
| Sales of property other than capital assets: | | | | | | |
| Net gain | 342,552 | 24,770,818 | 341,064 | 24,720,346 | 1,488 | 50,472 |
| Net loss | 329,340 | 6,314,694 | 328,157 | 6,249,344 | 1,183 | 65,350 |
| Taxable interest received | 5,418,798 | 56,855,229 | 5,408,717 | 56,612,550 | 10,081 | 242,679 |
| Tax-exempt interest | 1,687,790 | 43,721,131 | 1,678,730 | 41,630,091 | 9,059 | 2,091,040 |
| Dividends | 4,575,755 | 169,158,569 | 4,566,011 | 168,333,872 | 9,744 | 824,697 |
| Qualified dividends | 4,426,856 | 137,062,566 | 4,417,539 | 136,480,947 | 9,317 | 581,619 |
| Pensions and annuities in adjusted gross income | 1,616,205 | 88,046,973 | 1,612,900 | 87,938,399 | 3,305 | 108,574 |
| Rent: | | | | | | |
| Net income | 802,930 | 33,386,190 | 801,642 | 33,346,883 | 1,288 | 39,308 |
| Net loss, total (deductible and nondeductible) | 879,544 | 13,677,712 | 878,155 | 13,627,108 | 1,389 | 50,604 |
| Nondeductible rental loss | 681,717 | 8,806,101 | 681,029 | 8,783,898 | 688 | 22,203 |
| Royalty: | | | | | | |
| Net income | 483,496 | 15,856,352 | 481,301 | 15,842,084 | 2,195 | 14,268 |
| Net loss | 31,125 | 216,842 | 30,961 | 214,599 | 164 | 2,242 |
| Estate or trust: | | | | | | |
| Net income | 158,783 | 24,952,035 | 158,217 | 24,934,728 | 566 | 17,308 |
| Net loss | 21,629 | 3,704,738 | 21,442 | 3,662,460 | 187 | 42,279 |
| State income tax refunds | 2,409,086 | 14,235,125 | 2,406,923 | 14,203,566 | 2,163 | 31,559 |
| Alimony received | 13,089 | 2,147,460 | 13,080 | 2,146,876 | 9 | 584 |
| Social Security benefits in adjusted gross income | 1,288,127 | 34,508,362 | 1,281,927 | 34,351,505 | 6,200 | 156,857 |
| Social Security benefits (nontaxable) | 1,288,232 | 6,096,822 | 1,282,029 | 6,064,523 | 6,203 | 32,299 |
| Unemployment compensation | 127,973 | 726,485 | 127,927 | 726,089 | 46 | 395 |
| Other income | 891,662 | 23,731,119 | 889,362 | 23,534,522 | 2,300 | 196,597 |
| Other loss | 64,273 | 2,190,964 | 63,896 | 2,184,727 | 377 | 6,237 |
| Foreign-earned income exclusion | 73,885 | 7,329,739 | 73,196 | 7,200,845 | 689 | 128,895 |
| Total income | 6,784,179 | 3,653,511,609 | 6,773,240 | 3,651,876,646 | 10,939 | 1,634,964 |
| Statutory adjustments, total | 2,693,432 | 58,755,476 | 2,690,579 | 58,714,067 | 2,853 | 41,409 |
| Payments to Individual Retirement Arrangements | 168,554 | 1,603,047 | 168,382 | 1,601,523 | 172 | 1,524 |
| Payments to self-employed retirement (Keogh) plans | 496,802 | 17,254,419 | 496,634 | 17,248,531 | 168 | 5,888 |
| Moving expenses adjustment | 81,738 | 540,237 | 81,713 | 539,876 | 25 | 361 |
| Adjusted gross income | 6,784,180 | 3,594,756,134 | 6,773,240 | 3,593,162,579 | 10,940 | 1,593,555 |
| Investment interest expense deduction | 718,216 | 11,885,766 | 715,717 | 11,667,490 | 2,499 | 218,276 |
| Total tax preferences excluded from adjusted gross income [2] | 1,706,897 | 46,796,378 | 1,697,814 | 44,703,796 | 9,083 | 2,092,582 |
| Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds) | 34,154 | 3,163,114 | 34,053 | 3,160,655 | 101 | 2,459 |
| Passive activity loss (alternative minimum tax adjustment) | 736,008 | 1,357,769 | 734,053 | 1,354,550 | 1,955 | 3,219 |

Footnotes at end of table.

Table 6. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2015—Continued

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

| Income concept, item | Returns with income of \$200,000 or more | | | | | |
|--|--|----------------------|-----------------------------------|----------------------|--------------------------------------|------------------|
| | Total | | Returns with worldwide income tax | | Returns without worldwide income tax | |
| | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Expanded income | 6,784,187 | 3,626,844,104 | 6,773,240 | 3,623,257,902 | 10,947 | 3,586,202 |
| Exemption | 5,013,622 | 50,862,084 | 5,002,833 | 50,764,604 | 10,789 | 97,480 |
| Itemized deductions: | | | | | | |
| Total per adjusted gross income concept | 6,292,604 | 456,952,600 | 6,282,649 | 455,006,323 | 9,954 | 1,946,277 |
| Total per expanded income concept | 6,292,325 | 480,102,827 | 6,282,371 | 478,387,706 | 9,954 | 1,715,121 |
| Charitable contributions deduction | 5,794,409 | 114,982,431 | 5,785,546 | 114,693,348 | 8,863 | 289,083 |
| Interest paid deduction: | | | | | | |
| Total per adjusted gross income concept | 5,032,336 | 80,085,444 | 5,027,465 | 79,782,009 | 4,871 | 303,434 |
| Total per expanded income concept | 4,808,882 | 68,199,678 | 4,805,467 | 68,114,519 | 3,415 | 85,159 |
| Total home mortgage interest | 4,797,855 | 67,939,449 | 4,794,475 | 67,854,786 | 3,380 | 84,664 |
| Medical and dental expense deduction | 196,565 | 5,205,577 | 190,471 | 4,780,491 | 6,094 | 425,087 |
| Net casualty or theft loss deduction | 3,720 | 391,912 | 3,458 | 260,767 | 262 | 131,145 |
| Taxes paid deduction | 6,286,330 | 270,380,734 | 6,276,434 | 269,919,865 | 9,896 | 460,869 |
| Net limited miscellaneous deductions per adjusted gross income concept | 1,068,272 | 25,464,418 | 1,061,603 | 25,137,984 | 6,669 | 326,434 |
| Nonlimited miscellaneous deductions | 275,617 | 8,192,878 | 274,671 | 8,173,136 | 946 | 19,742 |
| Excess of exemptions and deductions over adjusted gross income | 12,781 | 2,602,128 | 7,206 | 1,901,279 | 5,575 | 700,850 |
| Taxable income | 6,771,402 | 3,083,456,653 | 6,766,033 | 3,083,221,876 | 5,369 | 234,777 |
| Tax at regular rates | 6,762,084 | 831,961,936 | 6,761,461 | 831,954,499 | 623 | 7,436 |
| Alternative minimum tax (Form 6251) | 3,675,696 | 29,136,208 | 3,675,491 | 29,134,841 | 205 | 1,367 |
| Income tax before credits | 6,772,162 | 861,140,696 | 6,771,457 | 861,131,892 | 705 | 8,803 |
| Tax credits, total | 3,148,575 | 25,663,867 | 3,147,869 | 25,655,027 | 705 | 8,841 |
| Child care credit | 641,334 | 367,392 | 641,295 | 367,366 | 39 | 25 |
| Minimum tax credit | 153,720 | 751,722 | 153,579 | 750,042 | 141 | 1,681 |
| General business credit | 183,214 | 3,243,679 | 183,008 | 3,240,458 | 206 | 3,221 |
| Worldwide total income tax | 6,773,240 | 878,762,129 | 6,773,240 | 878,762,129 | 0 | 0 |
| Foreign taxes paid [3] | 2,365,451 | 21,274,549 | 2,365,388 | 21,274,539 | 63 | 10 |
| Foreign taxes paid on excluded foreign-earned income (Form 1116) | 19,117 | 670,825 | 19,117 | 670,825 | 0 | 0 |
| Taxable income which would yield: | | | | | | |
| Income tax before credits | 6,772,150 | 2,862,196,642 | 6,771,449 | 2,862,147,849 | 701 | 48,792 |
| Income tax after credits [3] | 6,771,372 | 2,849,955,035 | 6,771,309 | 2,849,954,934 | 63 | 100 |
| Worldwide total income tax [3] | 6,773,303 | 2,907,516,432 | 6,773,240 | 2,907,516,331 | 63 | 100 |
| Reconciliation of adjusted gross income and expanded income: | | | | | | |
| Adjusted gross income | 6,784,180 | 3,594,756,134 | 6,773,240 | 3,593,162,579 | 10,940 | 1,593,555 |
| plus: Total tax preferences excluded from adjusted gross income [2] | 1,706,897 | 46,796,378 | 1,697,814 | 44,703,796 | 9,083 | 2,092,582 |
| Social Security benefits (nontaxable) | 1,288,232 | 6,096,822 | 1,282,029 | 6,064,523 | 6,203 | 32,299 |
| Foreign-earned income exclusion | 73,885 | 7,329,739 | 73,196 | 7,200,845 | 689 | 128,895 |
| minus: Investment interest expense deduction | 718,216 | 11,885,766 | 715,717 | 11,667,490 | 2,499 | 218,276 |
| Nonlimited miscellaneous deductions | 275,617 | 8,192,878 | 274,671 | 8,173,136 | 946 | 19,742 |
| Unreimbursed employee business expenses | 1,205,725 | 8,034,073 | 1,205,136 | 8,031,049 | 589 | 3,024 |
| Equals: Expanded income | 6,784,187 | 3,626,844,104 | 6,773,240 | 3,623,257,902 | 10,947 | 3,586,202 |

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

[1] Section 179 of the Internal Revenue Code permits certain taxpayers to elect to deduct all or part of the cost of certain qualifying property in the year they place it in service, instead of taking depreciation deductions over a specified recovery period.

[2] Includes tax-exempt interest and tax preference items subject to alternative minimum tax.

[3] For returns without worldwide income tax, refundable credits offset the amount of foreign taxes paid.

[4] Excess advance premium tax credit repayment is included in income tax before credits on Form 1040 but is subtracted here because it is not considered a part of income tax since it is not based on earned income.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, June 2018.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2015

[All figures are estimates based on samples]

| Tax status, income concept, and item with the second largest tax effect | Total | | Item with the largest tax effect | | | | | |
|---|-------------------|---------------------|----------------------------------|---------------------|--|---------------------|--------------------------|---------------------|
| | | | Interest paid deduction [3] | | Investment interest expense deduction [1, 3] | | Taxes paid deduction [3] | |
| | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| RETURNS WITH U.S. INCOME TAX | | | | | | | | |
| Returns with adjusted gross income of \$200,000 or more | | | | | | | | |
| Total | 6,492,512 | 100.0 | 831,301 | 12.8 | 31,637 | 0.5 | 4,382,412 | 67.5 |
| Interest paid deduction | 2,661,208 | 41.0 | 0 | 0.0 | 2,546 | 8.0 | 2,516,497 | 57.4 |
| Investment interest expense deduction [1] | 55,894 | 0.9 | 2,001 | 0.2 | 0 | 0.0 | 43,019 | 1.0 |
| Taxes paid deduction | 1,504,933 | 23.2 | 758,965 | 91.3 | 19,802 | 62.6 | 0 | 0.0 |
| Charitable contributions deduction | 1,408,308 | 21.7 | 50,990 | 6.1 | ** 3,719 | ** 11.8 | 1,304,199 | 29.8 |
| Medical and dental expense deduction | 37,788 | 0.6 | 1,978 | 0.2 | ** | ** | ** 27,233 | ** 0.6 |
| Net casualty or theft loss deduction | 1,127 | [4] | ** | ** | 0 | 0.0 | ** | ** |
| Total miscellaneous deductions | 299,331 | 4.6 | ** 12,918 | ** 1.6 | 2,228 | 7.0 | 242,079 | 5.5 |
| Foreign tax credit | 114,595 | 1.8 | ** | ** | 994 | 3.1 | 82,474 | 1.9 |
| General business credit | 23,501 | 0.4 | ** | ** | 582 | 1.8 | 16,950 | 0.4 |
| All other tax credits | 66,885 | 1.0 | ** 2,438 | ** 0.3 | 517 | 1.6 | 54,985 | 1.3 |
| Capital gains taxed at 0 percent | 69,915 | 1.1 | 1,274 | 0.2 | ** 1,250 | ** 3.9 | 28,944 | 0.7 |
| No second largest item | 249,027 | 3.8 | 737 | 0.1 | ** | ** | 66,031 | 1.5 |
| Returns with expanded income of \$200,000 or more | | | | | | | | |
| Total | 6,581,483 | 100.0 | 820,393 | 12.5 | 0 | 0.0 | 4,241,859 | 64.5 |
| Interest paid deduction | 2,641,140 | 40.1 | 0 | 0.0 | 0 | 0.0 | 2,502,048 | 59.0 |
| Tax-exempt interest [2] | 255,541 | 3.9 | 829 | 0.1 | 0 | 0.0 | 174,829 | 4.1 |
| Taxes paid deduction | 1,519,261 | 23.1 | 756,671 | 92.2 | 0 | 0.0 | 0 | 0.0 |
| Charitable contributions deduction | 1,248,065 | 19.0 | 51,765 | 6.3 | 0 | 0.0 | 1,143,063 | 26.9 |
| Medical and dental expense deduction | 36,711 | 0.6 | 2,583 | 0.3 | 0 | 0.0 | ** 22,809 | ** 0.5 |
| Net casualty or theft loss deduction | 972 | [4] | ** | ** | 0 | 0.0 | ** | ** |
| Total miscellaneous deductions | 133,607 | 2.0 | ** 1,863 | ** 0.2 | 0 | 0.0 | 84,395 | 2.0 |
| Foreign tax credit | 134,942 | 2.1 | ** | ** | 0 | 0.0 | 53,972 | 1.3 |
| General business credit | 23,222 | 0.4 | ** | ** | 0 | 0.0 | 16,652 | 0.4 |
| All other tax credits | 68,059 | 1.0 | 2,591 | 0.3 | 0 | 0.0 | 52,996 | 1.2 |
| Foreign-earned income exclusion [2] | 31,817 | 0.5 | 0 | 0.0 | 0 | 0.0 | 635 | [4] |
| AMT tax preference [2] | 2,878 | [4] | 0 | 0.0 | 0 | 0.0 | 1,630 | [4] |
| Nontaxable Social Security benefits [2] | 181,284 | 2.8 | 2,115 | 0.3 | 0 | 0.0 | 104,625 | 2.5 |
| Capital gains taxed at 0 percent | 77,636 | 1.2 | ** 1,975 | ** 0.2 | 0 | 0.0 | 25,093 | 0.6 |
| No second largest item | 226,348 | 3.4 | ** | ** | 0 | 0.0 | 59,111 | 1.4 |

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, income concept, and item with the second largest tax effect | Item with the largest tax effect—continued | | | | | | | |
|---|--|---------------------|--|---------------------|--------------------------------------|---------------------|------------------------------------|---------------------|
| | Charitable contributions deduction | | Medical and dental expense deduction [3] | | Net casualty or theft loss deduction | | Total miscellaneous deductions [3] | |
| | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total |
| | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) |
| RETURNS WITH U.S. INCOME TAX | | | | | | | | |
| Returns with adjusted gross income of \$200,000 or more | | | | | | | | |
| Total | 531,964 | 8.2 | 49,777 | 0.8 | 1,582 | [4] | 202,888 | 3.1 |
| Interest paid deduction | 70,834 | 13.3 | ** 4,879 | ** 9.8 | ** 147 | ** 9.3 | 27,078 | 13.3 |
| Investment interest expense deduction [1] | 4,124 | 0.8 | ** | ** | ** | ** | 2,374 | 1.2 |
| Taxes paid deduction | 407,208 | 76.5 | ** 31,984 | ** 64.3 | ** 1,415 | ** 89.5 | 132,993 | 65.5 |
| Charitable contributions deduction | 0 | 0.0 | ** | ** | ** | ** | 22,166 | 10.9 |
| Medical and dental expense deduction | 3,566 | 0.7 | 0 | 0.0 | 0 | 0.0 | ** 2,611 | ** 1.3 |
| Net casualty or theft loss deduction | 0 | 0.0 | ** | ** | 0 | 0.0 | ** | ** |
| Total miscellaneous deductions | 21,437 | 4.0 | ** 4,546 | ** 9.1 | ** 20 | ** 1.2 | 0 | 0.0 |
| Foreign tax credit | 2,618 | 0.5 | 599 | 1.2 | ** | ** | 3,666 | 1.8 |
| General business credit | 2,890 | 0.5 | ** | ** | 0 | 0.0 | 723 | 0.4 |
| All other tax credits | 2,049 | 0.4 | ** 19 | ** [4] | 0 | 0.0 | 514 | 0.3 |
| Capital gains taxed at 0 percent | ** 17,238 | ** 3.2 | 7,750 | 15.6 | 0 | 0.0 | 10,236 | 5.0 |
| No second largest item | ** | ** | 0 | 0.0 | 0 | 0.0 | 527 | 0.3 |
| Returns with expanded income of \$200,000 or more | | | | | | | | |
| Total | 521,633 | 7.9 | 49,045 | 0.7 | 1,425 | [4] | 56,462 | 0.9 |
| Interest paid deduction | 71,385 | 13.7 | 4,419 | 9.0 | 144 | 10.1 | 1,953 | 3.5 |
| Tax-exempt interest [2] | 19,346 | 3.7 | 3,797 | 7.7 | 9 | 0.6 | 8,522 | 15.1 |
| Taxes paid deduction | 391,163 | 75.0 | 25,228 | 51.4 | ** 1,272 | ** 89.3 | 29,958 | 53.1 |
| Charitable contributions deduction | 0 | 0.0 | 4,009 | 8.2 | ** | ** | 6,509 | 11.5 |
| Medical and dental expense deduction | 2,999 | 0.6 | 0 | 0.0 | 0 | 0.0 | ** 1,969 | ** 3.5 |
| Net casualty or theft loss deduction | 0 | 0.0 | ** | ** | 0 | 0.0 | ** | ** |
| Total miscellaneous deductions | 10,762 | 2.1 | ** 3,272 | ** 6.7 | 0 | 0.0 | 0 | 0.0 |
| Foreign tax credit | 1,589 | 0.3 | ** | ** | 0 | 0.0 | 1,893 | 3.4 |
| General business credit | 2,866 | 0.5 | ** | ** | 0 | 0.0 | 75 | 0.1 |
| All other tax credits | 1,997 | 0.4 | ** | ** | 0 | 0.0 | 120 | 0.2 |
| Foreign-earned income exclusion [2] | 271 | 0.1 | 0 | 0.0 | 0 | 0.0 | ** | ** |
| AMT tax preference [2] | 186 | [4] | 0 | 0.0 | 0 | 0.0 | ** 351 | ** 0.6 |
| Nontaxable Social Security benefits [2] | 4,823 | 0.9 | ** 1,818 | ** 3.7 | 0 | 0.0 | 349 | 0.6 |
| Capital gains taxed at 0 percent | 14,219 | 2.7 | 6,503 | 13.3 | 0 | 0.0 | ** 4,763 | ** 8.4 |
| No second largest item | 26 | [4] | 0 | 0.0 | 0 | 0.0 | ** | ** |

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, income concept, and item with the second largest tax effect | Item with the largest tax effect—continued | | | | | | | |
|---|--|---------------------|-------------------------|---------------------|-----------------------|---------------------|----------------------------------|---------------------|
| | Foreign tax credit | | General business credit | | All other tax credits | | Capital gains taxed at 0 percent | |
| | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total |
| | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) |
| RETURNS WITH U.S. INCOME TAX | | | | | | | | |
| Returns with adjusted gross income of \$200,000 or more | | | | | | | | |
| Total | 213,347 | 3.3 | 39,805 | 0.6 | 78,111 | 1.2 | 129,688 | 2.0 |
| Interest paid deduction | 14,474 | 6.8 | 5,295 | 13.3 | 10,857 | 13.9 | 8,630 | 6.7 |
| Investment interest expense deduction [1] | 1,225 | 0.6 | 885 | 2.2 | 136 | 0.2 | 2,101 | 1.6 |
| Taxes paid deduction | 48,492 | 22.7 | 22,571 | 56.7 | 29,714 | 38.0 | 56,013 | 43.2 |
| Charitable contributions deduction | 5,163 | 2.4 | 3,067 | 7.7 | ** 2,210 | ** 2.8 | 12,879 | 9.9 |
| Medical and dental expense deduction | 808 | 0.4 | 10 | [4] | ** | ** | 2,118 | 1.6 |
| Net casualty or theft loss deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total miscellaneous deductions | 4,009 | 1.9 | 203 | 0.5 | 527 | 0.7 | 12,027 | 9.3 |
| Foreign tax credit | 0 | 0.0 | 1,856 | 4.7 | 8,423 | 10.8 | 13,586 | 10.5 |
| General business credit | 1,507 | 0.7 | 0 | 0.0 | 214 | 0.3 | 482 | 0.4 |
| All other tax credits | 4,269 | 2.0 | 848 | 2.1 | 0 | 0.0 | 1,400 | 1.1 |
| Capital gains taxed at 0 percent | 2,645 | 1.2 | 492 | 1.2 | 131 | 0.2 | 0 | 0.0 |
| No second largest item | 130,756 | 61.3 | 4,577 | 11.5 | 25,901 | 33.2 | 20,453 | 15.8 |
| Returns with expanded income of \$200,000 or more | | | | | | | | |
| Total | 153,937 | 2.3 | 39,391 | 0.6 | 73,813 | 1.1 | 125,529 | 1.9 |
| Interest paid deduction | 9,591 | 6.2 | 4,995 | 12.7 | 10,916 | 14.8 | 9,152 | 7.3 |
| Tax-exempt interest [2] | 10,955 | 7.1 | 1,554 | 3.9 | 2,829 | 3.8 | 9,155 | 7.3 |
| Taxes paid deduction | 38,662 | 25.1 | 21,998 | 55.8 | 27,300 | 37.0 | 47,172 | 37.6 |
| Charitable contributions deduction | 3,511 | 2.3 | ** 3,063 | ** 7.8 | ** 1,760 | ** 2.4 | 11,187 | 8.9 |
| Medical and dental expense deduction | 764 | 0.5 | ** | ** | ** | ** | 2,622 | 2.1 |
| Net casualty or theft loss deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total miscellaneous deductions | 1,761 | 1.1 | 116 | 0.3 | 413 | 0.6 | 11,564 | 9.2 |
| Foreign tax credit | 0 | 0.0 | 1,374 | 3.5 | 4,869 | 6.6 | 4,633 | 3.7 |
| General business credit | 756 | 0.5 | 0 | 0.0 | 204 | 0.3 | 514 | 0.4 |
| All other tax credits | 1,757 | 1.1 | 782 | 2.0 | 0 | 0.0 | 913 | 0.7 |
| Foreign-earned income exclusion [2] | 30,488 | 19.8 | 0 | 0.0 | ** | ** | 86 | 0.1 |
| AMT tax preference [2] | 12 | [4] | ** | ** | ** 410 | ** 0.6 | ** | ** |
| Nontaxable Social Security benefits [2] | 4,132 | 2.7 | ** 1,682 | ** 4.3 | 2,304 | 3.1 | ** 19,934 | ** 15.9 |
| Capital gains taxed at 0 percent | 1,743 | 1.1 | 488 | 1.2 | 127 | 0.2 | 0 | 0.0 |
| No second largest item | 49,805 | 32.4 | 3,341 | 8.5 | 22,681 | 30.7 | 8,598 | 6.8 |

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, income concept, and item with the second largest tax effect | Item with the largest tax effect—continued | | | | | | | |
|---|--|---------------------|-------------------------|---------------------|------------------------|---------------------|---|---------------------|
| | Foreign-earned income exclusion [2] | | Tax-exempt interest [2] | | AMT tax preference [2] | | Nontaxable Social Security benefits [2] | |
| | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total |
| | (25) | (26) | (27) | (28) | (29) | (30) | (31) | (32) |
| RETURNS WITH U.S. INCOME TAX | | | | | | | | |
| Returns with adjusted gross income of \$200,000 or more | | | | | | | | |
| Total | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Interest paid deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Investment interest expense deduction [1] | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Taxes paid deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Charitable contributions deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Medical and dental expense deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Net casualty or theft loss deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total miscellaneous deductions | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Foreign tax credit | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| General business credit | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| All other tax credits | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Capital gains taxed at 0 percent | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| No second largest item | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Returns with expanded income of \$200,000 or more | | | | | | | | |
| Total | 33,781 | 0.5 | 273,961 | 4.2 | 11,858 | 0.2 | 178,394 | 2.7 |
| Interest paid deduction | 1,914 | 5.7 | 4,002 | 1.5 | 705 | 5.9 | 19,916 | 11.2 |
| Tax-exempt interest [2] | 380 | 1.1 | 0 | 0.0 | 341 | 2.9 | 22,995 | 12.9 |
| Taxes paid deduction | 5,793 | 17.1 | 122,582 | 44.7 | ** 10,026 | ** 84.6 | 41,936 | 23.5 |
| Charitable contributions deduction | ** 877 | ** 2.6 | 21,308 | 7.8 | ** | ** | 962 | 0.5 |
| Medical and dental expense deduction | ** | ** | 3,053 | 1.1 | 0 | 0.0 | 0 | 0.0 |
| Net casualty or theft loss deduction | 0 | 0.0 | 156 | 0.1 | 0 | 0.0 | 0 | 0.0 |
| Total miscellaneous deductions | 638 | 1.9 | 19,319 | 7.1 | 155 | 1.3 | 0 | 0.0 |
| Foreign tax credit | 15,378 | 45.5 | 30,153 | 11.0 | 174 | 1.5 | 20,731 | 11.6 |
| General business credit | 0 | 0.0 | 1,618 | 0.6 | 9 | 0.1 | 333 | 0.2 |
| All other tax credits | ** | ** | ** 2,703 | ** 1.0 | ** 57 | ** 0.5 | 3,865 | 2.2 |
| Foreign-earned income exclusion [2] | 0 | 0.0 | ** | ** | ** | ** | 0 | 0.0 |
| AMT tax preference [2] | 0 | 0.0 | 248 | 0.1 | 0 | 0.0 | 62 | [4] |
| Nontaxable Social Security benefits [2] | ** 416 | ** 1.2 | 39,620 | 14.5 | 58 | 0.5 | 0 | 0.0 |
| Capital gains taxed at 0 percent | 1,753 | 5.2 | 19,792 | 7.2 | 49 | 0.4 | 1,613 | 0.9 |
| No second largest item | 6,631 | 19.6 | 9,408 | 3.4 | 283 | 2.4 | 65,981 | 37.0 |

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, income concept, and item with the second largest tax effect | Total | | Item with the largest tax effect—continued | | | | | |
|---|-------------------|---------------------|--|---------------------|--|---------------------|--------------------------|---------------------|
| | | | Interest paid deduction [3] | | Investment interest expense deduction [1, 3] | | Taxes paid deduction [3] | |
| | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| RETURNS WITHOUT U.S. INCOME TAX | | | | | | | | |
| Returns with adjusted gross income of \$200,000 or more | | | | | | | | |
| Total | 11,072 | 100.0 | 139 | 1.3 | 359 | 3.2 | 386 | 3.5 |
| Interest paid deduction | 1,693 | 15.3 | 0 | 0.0 | 45 | 12.5 | 46 | 11.9 |
| Investment interest expense deduction [1] | 223 | 2.0 | 9 | 6.5 | 0 | 0.0 | 35 | 9.1 |
| Taxes paid deduction | 2,309 | 20.9 | 57 | 41.0 | 127 | 35.4 | 0 | 0.0 |
| Charitable contributions deduction | 961 | 8.7 | 15 | 10.8 | 76 | 21.2 | 149 | 38.6 |
| Medical and dental expense deduction | 166 | 1.5 | 10 | 7.2 | 13 | 3.6 | 22 | 5.7 |
| Net casualty or theft loss deduction | 17 | 0.2 | ** | ** | 4 | 1.1 | ** | ** |
| Total miscellaneous deductions | 584 | 5.3 | ** 20 | ** 14.4 | 49 | 13.6 | ** 89 | ** 23.1 |
| Foreign tax credit | 60 | 0.5 | ** | ** | 6 | 1.7 | 4 | 1.0 |
| General business credit | 77 | 0.7 | 4 | 2.9 | 4 | 1.1 | 7 | 1.8 |
| All other tax credits | 161 | 1.5 | 8 | 5.8 | ** | ** | 10 | 2.6 |
| Capital gains taxed at 0 percent | 732 | 6.6 | 16 | 11.5 | ** 35 | ** 9.7 | 24 | 6.2 |
| No second largest item | 4,088 | 36.9 | 0 | 0.0 | ** | ** | 0 | 0.0 |
| Returns with expanded income of \$200,000 or more | | | | | | | | |
| Total | 22,292 | 100.0 | 173 | 0.8 | 0 | 0.0 | 550 | 2.5 |
| Interest paid deduction | 1,494 | 6.7 | 0 | 0.0 | 0 | 0.0 | 55 | 10.0 |
| Tax-exempt interest [2] | 1,291 | 5.8 | 11 | 6.4 | 0 | 0.0 | 155 | 28.2 |
| Taxes paid deduction | 3,231 | 14.5 | 67 | 38.7 | 0 | 0.0 | 0 | 0.0 |
| Charitable contributions deduction | 1,766 | 7.9 | 19 | 11.0 | 0 | 0.0 | 147 | 26.7 |
| Medical and dental expense deduction | 1,193 | 5.4 | 18 | 10.4 | 0 | 0.0 | 19 | 3.5 |
| Net casualty or theft loss deduction | 32 | 0.1 | 5 | 2.9 | 0 | 0.0 | ** | ** |
| Total miscellaneous deductions | 1,156 | 5.2 | ** 16 | ** 9.2 | 0 | 0.0 | ** 111 | ** 20.2 |
| Foreign tax credit | 2,379 | 10.7 | ** | ** | 0 | 0.0 | ** | ** |
| General business credit | 79 | 0.4 | 4 | 2.3 | 0 | 0.0 | 7 | 1.3 |
| All other tax credits | 186 | 0.8 | ** 9 | ** 5.2 | 0 | 0.0 | ** | ** |
| Foreign-earned income exclusion [2] | 3,723 | 16.7 | ** | ** | 0 | 0.0 | ** 15 | ** 2.7 |
| AMT tax preference [2] | 13 | 0.1 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Nontaxable Social Security benefits [2] | 579 | 2.6 | 5 | 2.9 | 0 | 0.0 | 11 | 2.0 |
| Capital gains taxed at 0 percent | 1,707 | 7.7 | 19 | 11.0 | 0 | 0.0 | 30 | 5.5 |
| No second largest item | 3,462 | 15.5 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, income concept, and item with the second largest tax effect | Item with the largest tax effect—continued | | | | | | | |
|---|--|---------------------|--|---------------------|--------------------------------------|---------------------|------------------------------------|---------------------|
| | Charitable contributions deduction | | Medical and dental expense deduction [3] | | Net casualty or theft loss deduction | | Total miscellaneous deductions [3] | |
| | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total |
| | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) |
| RETURNS WITHOUT U.S. INCOME TAX | | | | | | | | |
| Returns with adjusted gross income of \$200,000 or more | | | | | | | | |
| Total | 785 | 7.1 | 802 | 7.2 | 229 | 2.1 | 1,449 | 13.1 |
| Interest paid deduction | 87 | 11.1 | 55 | 6.9 | ** 61 | ** 26.6 | 217 | 15.0 |
| Investment interest expense deduction [1] | 53 | 6.8 | 12 | 1.5 | ** | ** | 46 | 3.2 |
| Taxes paid deduction | 178 | 22.7 | 293 | 36.5 | 113 | 49.3 | 821 | 56.7 |
| Charitable contributions deduction | 0 | 0.0 | 131 | 16.3 | 20 | 8.7 | 174 | 12.0 |
| Medical and dental expense deduction | 49 | 6.2 | 0 | 0.0 | 8 | 3.5 | 38 | 2.6 |
| Net casualty or theft loss deduction | 3 | 0.4 | ** | ** | 0 | 0.0 | 4 | 0.3 |
| Total miscellaneous deductions | 110 | 14.0 | ** 119 | ** 14.8 | 16 | 7.0 | 0 | 0.0 |
| Foreign tax credit | 11 | 1.4 | ** | ** | 0 | 0.0 | 9 | 0.6 |
| General business credit | 15 | 1.9 | ** | ** | 0 | 0.0 | 12 | 0.8 |
| All other tax credits | 15 | 1.9 | ** 6 | ** 0.7 | ** | ** | 25 | 1.7 |
| Capital gains taxed at 0 percent | 264 | 33.6 | 186 | 23.2 | ** 10 | ** 4.4 | 38 | 2.6 |
| No second largest item | 0 | 0.0 | 0 | 0.0 | ** | ** | 65 | 4.5 |
| Returns with expanded income of \$200,000 or more | | | | | | | | |
| Total | 1,018 | 4.6 | 1,770 | 7.9 | 241 | 1.1 | 413 | 1.9 |
| Interest paid deduction | 71 | 7.0 | 59 | 3.3 | 58 | 24.1 | 25 | 6.1 |
| Tax-exempt interest [2] | 150 | 14.7 | 645 | 36.4 | 17 | 7.1 | 118 | 28.6 |
| Taxes paid deduction | 214 | 21.0 | 314 | 17.7 | 112 | 46.5 | 115 | 27.8 |
| Charitable contributions deduction | 0 | 0.0 | 173 | 9.8 | 18 | 7.5 | 91 | 22.0 |
| Medical and dental expense deduction | 62 | 6.1 | 0 | 0.0 | 6 | 2.5 | 20 | 4.8 |
| Net casualty or theft loss deduction | 5 | 0.5 | ** | ** | 0 | 0.0 | 0 | 0.0 |
| Total miscellaneous deductions | 125 | 12.3 | ** 171 | ** 9.7 | 8 | 3.3 | 0 | 0.0 |
| Foreign tax credit | 12 | 1.2 | ** | ** | 0 | 0.0 | 4 | 1.0 |
| General business credit | 16 | 1.6 | ** | ** | 0 | 0.0 | ** | ** |
| All other tax credits | 17 | 1.7 | ** 7 | ** 0.4 | ** | ** | 0 | 0.0 |
| Foreign-earned income exclusion [2] | 0 | 0.0 | ** | ** | ** 5 | ** 2.1 | ** 3 | ** 0.7 |
| AMT tax preference [2] | ** | ** | 0 | 0.0 | 0 | 0.0 | ** | ** |
| Nontaxable Social Security benefits [2] | ** 43 | ** 4.2 | 121 | 6.8 | 10 | 4.1 | ** 8 | ** 1.9 |
| Capital gains taxed at 0 percent | 303 | 29.8 | 280 | 15.8 | 7 | 2.9 | ** 29 | ** 7.0 |
| No second largest item | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | ** | ** |

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, income concept, and item with the second largest tax effect | Item with the largest tax effect—continued | | | | | | | |
|---|--|---------------------|-------------------------|---------------------|-----------------------|---------------------|----------------------------------|---------------------|
| | Foreign tax credit | | General business credit | | All other tax credits | | Capital gains taxed at 0 percent | |
| | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total |
| | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) |
| RETURNS WITHOUT U.S. INCOME TAX | | | | | | | | |
| Returns with adjusted gross income of \$200,000 or more | | | | | | | | |
| Total | 6,264 | 56.6 | 123 | 1.1 | 183 | 1.7 | 353 | 3.2 |
| Interest paid deduction | 1,089 | 17.4 | ** 28 | ** 22.8 | ** 37 | ** 20.2 | 33 | 9.3 |
| Investment interest expense deduction [1] | 35 | 0.6 | ** | ** | ** | ** | 28 | 7.9 |
| Taxes paid deduction | 542 | 8.7 | 36 | 29.3 | 75 | 41.0 | 67 | 19.0 |
| Charitable contributions deduction | ** 301 | ** 4.8 | ** 21 | ** 17.1 | ** 22 | ** 12.0 | 62 | 17.6 |
| Medical and dental expense deduction | ** | ** | ** | ** | ** | ** | 16 | 4.5 |
| Net casualty or theft loss deduction | ** | ** | 0 | 0.0 | 0 | 0.0 | ** | ** |
| Total miscellaneous deductions | ** 139 | ** 2.2 | ** 4 | ** 3.3 | ** 10 | ** 5.5 | ** 39 | ** 11.0 |
| Foreign tax credit | 0 | 0.0 | ** | ** | ** | ** | 25 | 7.1 |
| General business credit | ** | ** | 0 | 0.0 | 7 | 3.8 | 25 | 7.1 |
| All other tax credits | ** 45 | ** 0.7 | 3 | 2.4 | 0 | 0.0 | 48 | 13.6 |
| Capital gains taxed at 0 percent | 113 | 1.8 | 31 | 25.2 | 22 | 12.0 | 0 | 0.0 |
| No second largest item | 4,000 | 63.9 | 0 | 0.0 | 10 | 5.5 | 10 | 2.8 |
| Returns with expanded income of \$200,000 or more | | | | | | | | |
| Total | 8,108 | 36.4 | 124 | 0.6 | 191 | 0.9 | 571 | 2.6 |
| Interest paid deduction | 756 | 9.3 | 26 | 21.0 | 34 | 17.8 | 47 | 8.2 |
| Tax-exempt interest [2] | 45 | 0.6 | 4 | 3.2 | 7 | 3.7 | 115 | 20.2 |
| Taxes paid deduction | 427 | 5.3 | 36 | 29.0 | 76 | 39.8 | 99 | 17.3 |
| Charitable contributions deduction | 207 | 2.6 | 22 | 17.7 | 24 | 12.6 | 82 | 14.4 |
| Medical and dental expense deduction | ** | ** | ** | ** | 0 | 0.0 | 49 | 8.6 |
| Net casualty or theft loss deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 9 | 1.6 |
| Total miscellaneous deductions | ** 40 | ** 0.5 | ** 3 | ** 2.4 | ** 7 | ** 3.7 | 42 | 7.4 |
| Foreign tax credit | 0 | 0.0 | 0 | 0.0 | ** | ** | 30 | 5.3 |
| General business credit | ** | ** | 0 | 0.0 | ** | ** | 27 | 4.7 |
| All other tax credits | ** 40 | ** 0.5 | 3 | 2.4 | 0 | 0.0 | ** 50 | ** 8.8 |
| Foreign-earned income exclusion [2] | 3,701 | 45.6 | 0 | 0.0 | ** 7 | ** 3.7 | ** | ** |
| AMT tax preference [2] | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | ** | ** |
| Nontaxable Social Security benefits [2] | 66 | 0.8 | 0 | 0.0 | 0 | 0.0 | ** 14 | ** 2.5 |
| Capital gains taxed at 0 percent | 95 | 1.2 | 30 | 24.2 | ** 36 | ** 18.8 | 0 | 0.0 |
| No second largest item | 2,731 | 33.7 | 0 | 0.0 | ** | ** | 7 | 1.2 |

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, income concept, and item with the second largest tax effect | Item with the largest tax effect—continued | | | | | | | |
|---|--|---------------------|-------------------------|---------------------|------------------------|---------------------|---|---------------------|
| | Foreign-earned income exclusion [2] | | Tax-exempt interest [2] | | AMT tax preference [2] | | Nontaxable Social Security benefits [2] | |
| | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total |
| | (25) | (26) | (27) | (28) | (29) | (30) | (31) | (32) |
| RETURNS WITHOUT U.S. INCOME TAX | | | | | | | | |
| Returns with adjusted gross income of \$200,000 or more | | | | | | | | |
| Total | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Interest paid deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Investment interest expense deduction [1] | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Taxes paid deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Charitable contributions deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Medical and dental expense deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Net casualty or theft loss deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total miscellaneous deductions | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Foreign tax credit | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| General business credit | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| All other tax credits | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Capital gains taxed at 0 percent | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| No second largest item | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Returns with expanded income of \$200,000 or more | | | | | | | | |
| Total | 3,135 | 14.1 | 5,955 | 26.7 | 11 | [4] | 31 | 0.1 |
| Interest paid deduction | 120 | 3.8 | 234 | 3.9 | 0 | 0.0 | 9 | 29.0 |
| Tax-exempt interest [2] | 17 | 0.5 | 0 | 0.0 | 4 | 36.4 | 3 | 9.7 |
| Taxes paid deduction | 86 | 2.7 | 1,682 | 28.2 | ** | ** | ** | ** |
| Charitable contributions deduction | 35 | 1.1 | 944 | 15.9 | ** 3 | ** 27.3 | ** 4 | ** 12.9 |
| Medical and dental expense deduction | 22 | 0.7 | 982 | 16.5 | 0 | 0.0 | 6 | 19.4 |
| Net casualty or theft loss deduction | 0 | 0.0 | 8 | 0.1 | 0 | 0.0 | ** | ** |
| Total miscellaneous deductions | 11 | 0.4 | 640 | 10.7 | 0 | 0.0 | ** 3 | ** 9.7 |
| Foreign tax credit | 2,317 | 73.9 | 9 | 0.2 | 0 | 0.0 | 0 | 0.0 |
| General business credit | ** | ** | 12 | 0.2 | 0 | 0.0 | 0 | 0.0 |
| All other tax credits | 9 | ** 0.3 | 49 | 0.8 | 0 | 0.0 | 0 | 0.0 |
| Foreign-earned income exclusion [2] | 0 | 0.0 | 7 | 0.1 | 0 | 0.0 | 0 | 0.0 |
| AMT tax preference [2] | ** | ** | 8 | 0.1 | 0 | 0.0 | 0 | 0.0 |
| Nontaxable Social Security benefits [2] | ** 8 | ** 0.3 | 298 | 5.0 | 0 | 0.0 | 0 | 0.0 |
| Capital gains taxed at 0 percent | 54 | 1.7 | 827 | 13.9 | 4 | 36.4 | ** 6 | ** 19.4 |
| No second largest item | 456 | 14.5 | 255 | 4.3 | 0 | 0.0 | ** | ** |

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

[1] Investment interest expense deduction only has an effect when using the adjusted gross income concept.

[2] Tax-exempt interest, foreign-earned income exclusion, AMT tax preference, and nontaxable Social Security benefits only have an effect when using the expanded income concept.

[3] For taxable returns only, this does not include any possible effect on AMT.

[4] Less than 0.05 percent.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, June 2018.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2015

[All figures are estimates based on samples]

| Tax status, income concept, and item with the second largest tax effect | Total | | Item with the largest tax effect | | | | | |
|---|-------------------|---------------------|----------------------------------|---------------------|--|---------------------|--------------------------|---------------------|
| | | | Interest paid deduction [3] | | Investment interest expense deduction [1, 3] | | Taxes paid deduction [3] | |
| | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| RETURNS WITH WORLDWIDE INCOME TAX | | | | | | | | |
| Returns with adjusted gross income of \$200,000 or more | | | | | | | | |
| Total | 6,363,715 | 100.0 | 846,123 | 13.3 | 32,923 | 0.5 | 4,431,461 | 69.6 |
| Interest paid deduction | 2,679,921 | 42.1 | 0 | 0.0 | 2,963 | 9.0 | 2,547,819 | 57.5 |
| Investment interest expense deduction [1] | 60,533 | 1.0 | 2,138 | 0.3 | 0 | 0.0 | 47,559 | 1.1 |
| Taxes paid deduction | 1,484,764 | 23.3 | 772,235 | 91.3 | 20,770 | 63.1 | 0 | 0.0 |
| Charitable contributions deduction | 1,459,370 | 22.9 | 51,521 | 6.1 | ** 4,177 | ** 12.7 | 1,357,419 | 30.6 |
| Medical and dental expense deduction | 38,525 | 0.6 | 2,120 | 0.3 | ** | ** | ** 28,618 | ** 0.6 |
| Net casualty or theft loss deduction | 1,127 | [4] | ** | ** | 0 | 0.0 | ** | ** |
| Total miscellaneous deductions | 307,328 | 4.8 | ** 12,786 | ** 1.5 | 2,515 | 7.6 | 252,101 | 5.7 |
| General business credit | 23,200 | 0.4 | ** | ** | 613 | 1.9 | 17,841 | 0.4 |
| All other tax credits | 65,806 | 1.0 | 2,602 | 0.3 | 550 | 1.7 | 57,527 | 1.3 |
| Capital gains taxed at 0 percent | 69,727 | 1.1 | 1,280 | 0.2 | ** 1,336 | ** 4.1 | 30,354 | 0.7 |
| No second largest item | 173,412 | 2.7 | 1,442 | 0.2 | ** | ** | 92,223 | 2.1 |
| Returns with expanded income of \$200,000 or more | | | | | | | | |
| Total | 6,540,066 | 100.0 | 830,519 | 12.7 | 0 | 0.0 | 4,280,965 | 65.5 |
| Interest paid deduction | 2,667,646 | 40.8 | 0 | 0.0 | 0 | 0.0 | 2,528,008 | 59.1 |
| Tax-exempt interest [2] | 263,264 | 4.0 | 984 | 0.1 | 0 | 0.0 | 184,283 | 4.3 |
| Taxes paid deduction | 1,510,735 | 23.1 | 766,048 | 92.2 | 0 | 0.0 | 0 | 0.0 |
| Charitable contributions deduction | 1,275,783 | 19.5 | 51,909 | 6.3 | 0 | 0.0 | 1,170,611 | 27.3 |
| Medical and dental expense deduction | 36,540 | 0.6 | ** 2,724 | ** 0.3 | 0 | 0.0 | 22,978 | 0.5 |
| Net casualty or theft loss deduction | 974 | [4] | ** | ** | 0 | 0.0 | 322 | [4] |
| Total miscellaneous deductions | 139,022 | 2.1 | ** 1,631 | ** 0.2 | 0 | 0.0 | 89,792 | 2.1 |
| General business credit | 24,257 | 0.4 | ** | ** | 0 | 0.0 | 17,352 | 0.4 |
| All other tax credits | 70,416 | 1.1 | ** 2,607 | ** 0.3 | 0 | 0.0 | 54,790 | 1.3 |
| Foreign-earned income exclusion [2] | 2,419 | [4] | ** | ** | 0 | 0.0 | 1,361 | [4] |
| AMT tax preference [2] | 3,154 | [4] | 0 | 0.0 | 0 | 0.0 | 1,714 | [4] |
| Nontaxable Social Security benefits [2] | 184,952 | 2.8 | 2,115 | 0.3 | 0 | 0.0 | 108,325 | 2.5 |
| Capital gains taxed at 0 percent | 79,533 | 1.2 | 1,540 | 0.2 | 0 | 0.0 | 25,818 | 0.6 |
| No second largest item | 281,369 | 4.3 | 961 | 0.1 | 0 | 0.0 | 75,612 | 1.8 |

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, income concept, and item with the second largest tax effect | Item with the largest tax effect—continued | | | | | | | |
|---|--|---------------------|--|---------------------|--------------------------------------|---------------------|------------------------------------|---------------------|
| | Charitable contributions deduction | | Medical and dental expense deduction [3] | | Net casualty or theft loss deduction | | Total miscellaneous deductions [3] | |
| | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total |
| | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) |
| RETURNS WITH WORLDWIDE INCOME TAX | | | | | | | | |
| Returns with adjusted gross income of \$200,000 or more | | | | | | | | |
| Total | 537,523 | 8.4 | 50,609 | 0.8 | 1,586 | [4] | 207,065 | 3.3 |
| Interest paid deduction | 71,529 | 13.3 | ** 4,891 | ** 9.7 | ** 147 | ** 9.3 | 27,549 | 13.3 |
| Investment interest expense deduction [1] | 4,770 | 0.9 | ** | ** | ** | ** | 2,664 | 1.3 |
| Taxes paid deduction | 412,297 | 76.7 | 28,245 | 55.8 | 1,418 | 89.4 | 138,313 | 66.8 |
| Charitable contributions deduction | 0 | 0.0 | 4,831 | 9.5 | 7 | 0.5 | 23,085 | 11.1 |
| Medical and dental expense deduction | 3,568 | 0.7 | 0 | 0.0 | 0 | 0.0 | ** 2,623 | ** 1.3 |
| Net casualty or theft loss deduction | 0 | 0.0 | ** | ** | 0 | 0.0 | ** | ** |
| Total miscellaneous deductions | 22,431 | 4.2 | ** 4,579 | ** 9.0 | ** 13 | ** 0.8 | 0 | 0.0 |
| General business credit | 2,987 | 0.6 | ** | ** | 0 | 0.0 | 775 | 0.4 |
| All other tax credits | 2,097 | 0.4 | ** | ** | ** | ** | 542 | 0.3 |
| Capital gains taxed at 0 percent | 17,581 | 3.3 | ** 8,063 | ** 15.9 | ** | ** | 10,808 | 5.2 |
| No second largest item | 262 | [4] | ** | ** | 0 | 0.0 | 707 | 0.3 |
| Returns with expanded income of \$200,000 or more | | | | | | | | |
| Total | 525,466 | 8.0 | 49,847 | 0.8 | 1,428 | [4] | 58,269 | 0.9 |
| Interest paid deduction | 71,722 | 13.6 | 4,431 | 8.9 | 144 | 10.1 | 2,014 | 3.5 |
| Tax-exempt interest [2] | 19,678 | 3.7 | 3,801 | 7.6 | 9 | 0.6 | 9,557 | 16.4 |
| Taxes paid deduction | 394,830 | 75.1 | 25,383 | 50.9 | ** 1,275 | ** 89.3 | 32,009 | 54.9 |
| Charitable contributions deduction | 0 | 0.0 | 4,625 | 9.3 | ** | ** | 6,726 | 11.5 |
| Medical and dental expense deduction | 3,001 | 0.6 | 0 | 0.0 | 0 | 0.0 | ** 1,978 | ** 3.4 |
| Net casualty or theft loss deduction | 0 | 0.0 | ** | ** | 0 | 0.0 | ** | ** |
| Total miscellaneous deductions | 11,097 | 2.1 | ** 3,267 | ** 6.6 | 0 | 0.0 | 0 | 0.0 |
| General business credit | 2,965 | 0.6 | ** | ** | 0 | 0.0 | 120 | 0.2 |
| All other tax credits | 2,046 | 0.4 | 12 | [4] | ** | ** | 141 | 0.2 |
| Foreign-earned income exclusion [2] | 339 | 0.1 | 0 | 0.0 | ** | ** | 340 | 0.6 |
| AMT tax preference [2] | 186 | [4] | 0 | 0.0 | 0 | 0.0 | 34 | 0.1 |
| Nontaxable Social Security benefits [2] | 4,916 | 0.9 | 1,807 | 3.6 | 0 | 0.0 | 351 | 0.6 |
| Capital gains taxed at 0 percent | 14,441 | 2.7 | 6,521 | 13.1 | ** | ** | 4,932 | 8.5 |
| No second largest item | 245 | [4] | 0 | 0.0 | 0 | 0.0 | 69 | 0.1 |

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, income concept, and item with the second largest tax effect | Item with the largest tax effect—continued | | | | | | | |
|---|--|---------------------|-----------------------|---------------------|----------------------------------|---------------------|-------------------------------------|---------------------|
| | General business credit | | All other tax credits | | Capital gains taxed at 0 percent | | Foreign-earned income exclusion [2] | |
| | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total |
| | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) |
| RETURNS WITH WORLDWIDE INCOME TAX | | | | | | | | |
| Returns with adjusted gross income of \$200,000 or more | | | | | | | | |
| Total | 41,347 | 0.6 | 82,475 | 1.3 | 132,603 | 2.1 | 0 | 0.0 |
| Interest paid deduction | 5,331 | 12.9 | 10,978 | 13.3 | 8,742 | 6.6 | 0 | 0.0 |
| Investment interest expense deduction [1] | 931 | 2.3 | 229 | 0.3 | 2,214 | 1.7 | 0 | 0.0 |
| Taxes paid deduction | 23,025 | 55.7 | 30,046 | 36.4 | 58,415 | 44.1 | 0 | 0.0 |
| Charitable contributions deduction | 3,132 | 7.6 | ** 2,224 | ** 2.7 | 13,283 | 10.0 | 0 | 0.0 |
| Medical and dental expense deduction | 10 | [4] | ** | ** | 2,123 | 1.6 | 0 | 0.0 |
| Net casualty or theft loss deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total miscellaneous deductions | 214 | 0.5 | ** 680 | ** 0.8 | 12,604 | 9.5 | 0 | 0.0 |
| General business credit | 0 | 0.0 | 317 | 0.4 | 514 | 0.4 | 0 | 0.0 |
| All other tax credits | 932 | 2.3 | 0 | 0.0 | 1,543 | 1.2 | 0 | 0.0 |
| Capital gains taxed at 0 percent | 504 | 1.2 | ** | ** | 0 | 0.0 | 0 | 0.0 |
| No second largest item | 7,268 | 17.6 | 38,000 | 46.1 | 33,166 | 25.0 | 0 | 0.0 |
| Returns with expanded income of \$200,000 or more | | | | | | | | |
| Total | 40,183 | 0.6 | 75,672 | 1.2 | 127,583 | 2.0 | 70,435 | 1.1 |
| Interest paid deduction | 5,016 | 12.5 | 10,962 | 14.5 | 9,229 | 7.2 | 10,372 | 14.7 |
| Tax-exempt interest [2] | 2,069 | 5.1 | 3,518 | 4.6 | 10,207 | 8.0 | 2,752 | 3.9 |
| Taxes paid deduction | 22,334 | 55.6 | 27,379 | 36.2 | 47,859 | 37.5 | 14,614 | 20.7 |
| Charitable contributions deduction | ** 3,115 | ** 7.8 | ** 1,773 | ** 2.3 | 11,542 | 9.0 | 2,555 | 3.6 |
| Medical and dental expense deduction | ** | ** | ** | ** | 2,630 | 2.1 | 171 | 0.2 |
| Net casualty or theft loss deduction | 0 | 0.0 | 0 | 0.0 | ** | ** | ** | ** |
| Total miscellaneous deductions | 131 | 0.3 | 429 | 0.6 | ** 12,155 | ** 9.5 | ** 791 | ** 1.1 |
| General business credit | 0 | 0.0 | 238 | 0.3 | 539 | 0.4 | 175 | 0.2 |
| All other tax credits | 797 | 2.0 | 0 | 0.0 | 1,050 | 0.8 | 1,945 | 2.8 |
| Foreign-earned income exclusion [2] | 0 | 0.0 | 5 | [4] | 299 | 0.2 | 0 | 0.0 |
| AMT tax preference [2] | ** | ** | 409 | 0.5 | ** | ** | 55 | 0.1 |
| Nontaxable Social Security benefits [2] | ** 1,697 | ** 4.2 | 2,652 | 3.5 | ** 21,048 | ** 16.5 | 692 | 1.0 |
| Capital gains taxed at 0 percent | 497 | 1.2 | 144 | 0.2 | 0 | 0.0 | 3,311 | 4.7 |
| No second largest item | 4,527 | 11.3 | 28,161 | 37.2 | 11,024 | 8.6 | 33,001 | 46.9 |

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, income concept, and item with the second largest tax effect | Item with the largest tax effect—continued | | | | | |
|---|--|---------------------|------------------------|---------------------|---|---------------------|
| | Tax-exempt interest [2] | | AMT tax preference [2] | | Nontaxable Social Security benefits [2] | |
| | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total |
| | (25) | (26) | (27) | (28) | (29) | (30) |
| RETURNS WITH WORLDWIDE INCOME TAX | | | | | | |
| Returns with adjusted gross income of \$200,000 or more | | | | | | |
| Total | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Interest paid deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Investment interest expense deduction [1] | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Taxes paid deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Charitable contributions deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Medical and dental expense deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Net casualty or theft loss deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total miscellaneous deductions | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| General business credit | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| All other tax credits | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Capital gains taxed at 0 percent | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| No second largest item | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Returns with expanded income of \$200,000 or more | | | | | | |
| Total | 285,235 | 4.4 | 11,872 | 0.2 | 182,592 | 2.8 |
| Interest paid deduction | 4,727 | 1.7 | 705 | 5.9 | 20,315 | 11.1 |
| Tax-exempt interest [2] | 0 | 0.0 | 358 | 3.0 | 26,049 | 14.3 |
| Taxes paid deduction | 126,828 | 44.5 | ** 10,138 | ** 85.4 | 42,649 | 23.4 |
| Charitable contributions deduction | 21,765 | 7.6 | ** | ** | 969 | 0.5 |
| Medical and dental expense deduction | 3,103 | 1.1 | 0 | 0.0 | 0 | 0.0 |
| Net casualty or theft loss deduction | 156 | 0.1 | 0 | 0.0 | 0 | 0.0 |
| Total miscellaneous deductions | 19,909 | 7.0 | ** | ** | ** | ** |
| General business credit | 2,273 | 0.8 | ** 165 | ** 1.4 | ** 392 | ** 0.2 |
| All other tax credits | 3,107 | 1.1 | ** | ** | ** 3,881 | ** 2.1 |
| Foreign-earned income exclusion [2] | 55 | [4] | ** | ** | ** | ** |
| AMT tax preference [2] | 392 | 0.1 | 0 | 0.0 | 62 | [4] |
| Nontaxable Social Security benefits [2] | 41,593 | 14.6 | 58 | 0.5 | 0 | 0.0 |
| Capital gains taxed at 0 percent | 20,280 | 7.1 | ** | ** | 1,998 | 1.1 |
| No second largest item | 41,045 | 14.4 | 447 | 3.8 | 86,278 | 47.3 |

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, income concept, and item with the second largest tax effect | Total | | Item with the largest tax effect—continued | | | | | |
|---|-------------------|---------------------|--|---------------------|--|---------------------|--------------------------|---------------------|
| | | | Interest paid deduction [3] | | Investment interest expense deduction [1, 3] | | Taxes paid deduction [3] | |
| | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| RETURNS WITHOUT WORLDWIDE INCOME TAX | | | | | | | | |
| Returns with adjusted gross income of \$200,000 or more | | | | | | | | |
| Total | 4,363 | 100.0 | 130 | 3.0 | 333 | 7.6 | 370 | 8.5 |
| Interest paid deduction | 572 | 13.1 | 0 | 0.0 | 44 | 13.2 | 44 | 11.9 |
| Investment interest expense deduction [1] | 179 | 4.1 | 9 | 6.9 | 0 | 0.0 | 35 | 9.5 |
| Taxes paid deduction | 1,675 | 38.4 | 55 | 42.3 | 124 | 37.2 | 0 | 0.0 |
| Charitable contributions deduction | 637 | 14.6 | 15 | 11.5 | 73 | 21.9 | 148 | 40.0 |
| Medical and dental expense deduction | 154 | 3.5 | 10 | 7.7 | 13 | 3.9 | 22 | 5.9 |
| Net casualty or theft loss deduction | 16 | 0.4 | ** | ** | 4 | 1.2 | ** | ** |
| Total miscellaneous deductions | 414 | 9.5 | ** 19 | ** 14.6 | 46 | 13.8 | ** 93 | ** 25.1 |
| General business credit | 47 | 1.1 | 4 | 3.1 | 3 | 0.9 | ** | ** |
| All other tax credits | 76 | 1.7 | 5 | 3.8 | ** | ** | 7 | 1.9 |
| Capital gains taxed at 0 percent | 504 | 11.6 | 13 | 10.0 | ** 26 | ** 7.8 | 21 | 5.7 |
| No second largest item | 88 | 2.0 | 0 | 0.0 | ** | ** | 0 | 0.0 |
| Returns with expanded income of \$200,000 or more | | | | | | | | |
| Total | 10,942 | 100.0 | 164 | 1.5 | 0 | 0.0 | 533 | 4.9 |
| Interest paid deduction | 681 | 6.2 | 0 | 0.0 | 0 | 0.0 | 54 | 10.1 |
| Tax-exempt interest [2] | 1,175 | 10.7 | 11 | 6.7 | 0 | 0.0 | 155 | 29.1 |
| Taxes paid deduction | 2,670 | 24.4 | 65 | 39.6 | 0 | 0.0 | 0 | 0.0 |
| Charitable contributions deduction | 1,479 | 13.5 | 19 | 11.6 | 0 | 0.0 | 145 | 27.2 |
| Medical and dental expense deduction | 1,166 | 10.7 | 18 | 11.0 | 0 | 0.0 | 19 | 3.6 |
| Net casualty or theft loss deduction | 31 | 0.3 | 5 | 3.0 | 0 | 0.0 | ** | ** |
| Total miscellaneous deductions | 1,083 | 9.9 | 15 | 9.1 | 0 | 0.0 | ** 107 | ** 20.1 |
| General business credit | 43 | 0.4 | 4 | 2.4 | 0 | 0.0 | 5 | 0.9 |
| All other tax credits | 86 | 0.8 | ** 7 | ** 4.3 | 0 | 0.0 | 9 | 1.7 |
| Foreign-earned income exclusion [2] | 16 | 0.1 | ** | ** | 0 | 0.0 | 4 | 0.8 |
| AMT tax preference [2] | 10 | 0.1 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Nontaxable Social Security benefits [2] | 511 | 4.7 | 5 | 3.0 | 0 | 0.0 | 11 | 2.1 |
| Capital gains taxed at 0 percent | 1,306 | 11.9 | 15 | 9.1 | 0 | 0.0 | 24 | 4.5 |
| No second largest item | 685 | 6.3 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, income concept, and item with the second largest tax effect | Item with the largest tax effect—continued | | | | | | | |
|---|--|---------------------|--|---------------------|--------------------------------------|---------------------|------------------------------------|---------------------|
| | Charitable contributions deduction | | Medical and dental expense deduction [3] | | Net casualty or theft loss deduction | | Total miscellaneous deductions [3] | |
| | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total |
| | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) |
| RETURNS WITHOUT WORLDWIDE INCOME TAX | | | | | | | | |
| Returns with adjusted gross income of \$200,000 or more | | | | | | | | |
| Total | 682 | 15.6 | 786 | 18.0 | 226 | 5.2 | 1,419 | 32.5 |
| Interest paid deduction | 83 | 12.2 | 53 | 6.7 | ** 61 | ** 27.0 | 216 | 15.2 |
| Investment interest expense deduction [1] | 48 | 7.0 | 12 | 1.5 | ** | ** | 46 | 3.2 |
| Taxes paid deduction | 170 | 24.9 | 291 | 37.0 | 112 | 49.6 | 817 | 57.6 |
| Charitable contributions deduction | 0 | 0.0 | 131 | 16.7 | ** 28 | ** 12.4 | 173 | 12.2 |
| Medical and dental expense deduction | 48 | 7.0 | 0 | 0.0 | ** | ** | ** 42 | ** 3.0 |
| Net casualty or theft loss deduction | 3 | 0.4 | ** | ** | 0 | 0.0 | ** | ** |
| Total miscellaneous deductions | 107 | 15.7 | ** 119 | ** 15.1 | 16 | 7.1 | 0 | 0.0 |
| General business credit | 9 | 1.3 | ** | ** | 0 | 0.0 | 12 | 0.8 |
| All other tax credits | 11 | 1.6 | 4 | 0.5 | ** | ** | 22 | 1.6 |
| Capital gains taxed at 0 percent | 203 | 29.8 | 176 | 22.4 | ** 8 | ** 3.5 | 26 | 1.8 |
| No second largest item | 0 | 0.0 | 0 | 0.0 | ** | ** | 65 | 4.6 |
| Returns with expanded income of \$200,000 or more | | | | | | | | |
| Total | 903 | 8.3 | 1,739 | 15.9 | 238 | 2.2 | 400 | 3.7 |
| Interest paid deduction | 67 | 7.4 | 57 | 3.3 | 58 | 24.4 | 25 | 6.3 |
| Tax-exempt interest [2] | 137 | 15.2 | 641 | 36.9 | 17 | 7.1 | 117 | 29.3 |
| Taxes paid deduction | 203 | 22.5 | 311 | 17.9 | 112 | 47.1 | 114 | 28.5 |
| Charitable contributions deduction | 0 | 0.0 | 170 | 9.8 | ** 24 | ** 10.1 | 91 | 22.8 |
| Medical and dental expense deduction | 61 | 6.8 | 0 | 0.0 | ** | ** | 20 | 5.0 |
| Net casualty or theft loss deduction | 5 | 0.6 | ** | ** | 0 | 0.0 | 0 | 0.0 |
| Total miscellaneous deductions | 124 | 13.7 | ** 170 | ** 9.8 | ** | ** | 0 | 0.0 |
| General business credit | 9 | 1.0 | ** 6 | ** 0.3 | 0 | 0.0 | ** 3 | ** 0.8 |
| All other tax credits | 11 | 1.2 | ** | ** | ** 11 | ** 4.6 | 0 | 0.0 |
| Foreign-earned income exclusion [2] | 0 | 0.0 | ** | ** | ** | ** | ** | ** |
| AMT tax preference [2] | ** | ** | 0 | 0.0 | 0 | 0.0 | ** | ** |
| Nontaxable Social Security benefits [2] | ** 43 | ** 4.8 | 121 | 7.0 | 10 | 4.2 | ** 7 | ** 1.8 |
| Capital gains taxed at 0 percent | 243 | 26.9 | 263 | 15.1 | 6 | 2.5 | ** 23 | ** 5.8 |
| No second largest item | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | ** | ** |

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, income concept, and item with the second largest tax effect | Item with the largest tax effect—continued | | | | | | | |
|---|--|---------------------|-----------------------|---------------------|----------------------------------|---------------------|-------------------------------------|---------------------|
| | General business credit | | All other tax credits | | Capital gains taxed at 0 percent | | Foreign-earned income exclusion [2] | |
| | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total |
| | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) |
| RETURNS WITHOUT WORLDWIDE INCOME TAX | | | | | | | | |
| Returns with adjusted gross income of \$200,000 or more | | | | | | | | |
| Total | 90 | 2.1 | 131 | 3.0 | 196 | 4.5 | 0 | 0.0 |
| Interest paid deduction | ** 23 | ** 25.6 | ** 32 | ** 24.4 | 21 | 10.7 | 0 | 0.0 |
| Investment interest expense deduction [1] | ** | ** | ** | ** | 24 | 12.2 | 0 | 0.0 |
| Taxes paid deduction | 22 | 24.4 | 51 | 38.9 | 33 | 16.8 | 0 | 0.0 |
| Charitable contributions deduction | ** 18 | ** 20.0 | ** 17 | ** 13.0 | 44 | 22.4 | 0 | 0.0 |
| Medical and dental expense deduction | ** | ** | ** | ** | ** 14 | ** 7.1 | 0 | 0.0 |
| Net casualty or theft loss deduction | 0 | 0.0 | 0 | 0.0 | ** | ** | 0 | 0.0 |
| Total miscellaneous deductions | 3 | 3.3 | 3 | 2.3 | 17 | 8.7 | 0 | 0.0 |
| General business credit | 0 | 0.0 | 4 | 3.1 | 10 | 5.1 | 0 | 0.0 |
| All other tax credits | ** | ** | 0 | 0.0 | 23 | 11.7 | 0 | 0.0 |
| Capital gains taxed at 0 percent | ** 24 | ** 26.7 | ** 24 | ** 18.3 | 0 | 0.0 | 0 | 0.0 |
| No second largest item | 0 | 0.0 | ** | ** | 10 | 5.1 | 0 | 0.0 |
| Returns with expanded income of \$200,000 or more | | | | | | | | |
| Total | 91 | 0.8 | 126 | 1.2 | 355 | 3.2 | 671 | 6.1 |
| Interest paid deduction | ** 23 | ** 25.3 | ** 30 | ** 23.8 | 36 | 10.1 | 96 | 14.3 |
| Tax-exempt interest [2] | ** | ** | ** | ** | ** 133 | ** 37.5 | 13 | 1.9 |
| Taxes paid deduction | 22 | 24.2 | 52 | 41.3 | ** | ** | 83 | 12.4 |
| Charitable contributions deduction | ** 21 | ** 23.1 | 18 | 14.3 | 61 | 17.2 | 19 | 2.8 |
| Medical and dental expense deduction | ** | ** | 0 | 0.0 | 42 | 11.8 | 17 | 2.5 |
| Net casualty or theft loss deduction | 0 | 0.0 | 0 | 0.0 | 8 | 2.3 | 0 | 0.0 |
| Total miscellaneous deductions | ** | ** | 0 | 0.0 | 22 | 6.2 | 7 | 1.0 |
| General business credit | 0 | 0.0 | 4 | 3.2 | 11 | 3.1 | ** 9 | ** 1.3 |
| All other tax credits | ** 3 | ** 3.3 | 0 | 0.0 | 22 | 6.2 | ** | ** |
| Foreign-earned income exclusion [2] | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| AMT tax preference [2] | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Nontaxable Social Security benefits [2] | 0 | 0.0 | 0 | 0.0 | 13 | 3.7 | 5 | 0.7 |
| Capital gains taxed at 0 percent | 22 | 24.2 | ** 22 | ** 17.5 | 0 | 0.0 | 12 | 1.8 |
| No second largest item | 0 | 0.0 | ** | ** | 7 | 2.0 | 410 | 61.1 |

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, income concept, and item with the second largest tax effect | Item with the largest tax effect—continued | | | | | |
|---|--|---------------------|------------------------|---------------------|---|---------------------|
| | Tax-exempt interest [2] | | AMT tax preference [2] | | Nontaxable Social Security benefits [2] | |
| | Number of returns | Percentage of total | Number of returns | Percentage of total | Number of returns | Percentage of total |
| | (25) | (26) | (27) | (28) | (29) | (30) |
| RETURNS WITHOUT WORLDWIDE INCOME TAX | | | | | | |
| Returns with adjusted gross income of \$200,000 or more | | | | | | |
| Total | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Interest paid deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Investment interest expense deduction [1] | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Taxes paid deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Charitable contributions deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Medical and dental expense deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Net casualty or theft loss deduction | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total miscellaneous deductions | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| General business credit | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| All other tax credits | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Capital gains taxed at 0 percent | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| No second largest item | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Returns with expanded income of \$200,000 or more | | | | | | |
| Total | 5,682 | 51.9 | 9 | [4] | 31 | 0.3 |
| Interest paid deduction | 229 | 4.0 | 0 | 0.0 | 9 | 29.0 |
| Tax-exempt interest [2] | 0 | 0.0 | ** 6 | ** 66.7 | ** 7 | ** 22.6 |
| Taxes paid deduction | 1,647 | 29.0 | ** | ** | ** | ** |
| Charitable contributions deduction | 915 | 16.1 | ** | ** | ** | ** |
| Medical and dental expense deduction | 975 | 17.2 | 0 | 0.0 | 6 | 19.4 |
| Net casualty or theft loss deduction | 8 | 0.1 | 0 | 0.0 | ** | ** |
| Total miscellaneous deductions | 631 | 11.1 | 0 | 0.0 | ** 3 | ** 9.7 |
| General business credit | 6 | 0.1 | 0 | 0.0 | 0 | 0.0 |
| All other tax credits | 25 | 0.4 | 0 | 0.0 | 0 | 0.0 |
| Foreign-earned income exclusion [2] | 5 | 0.1 | 0 | 0.0 | 0 | 0.0 |
| AMT tax preference [2] | ** | ** | 0 | 0.0 | 0 | 0.0 |
| Nontaxable Social Security benefits [2] | ** 306 | ** 5.4 | 0 | 0.0 | 0 | 0.0 |
| Capital gains taxed at 0 percent | 680 | 12.0 | 3 | 33.3 | ** 6 | ** 19.4 |
| No second largest item | 255 | 4.5 | 0 | 0.0 | ** | ** |

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

[1] Investment interest expense deduction only has an effect when using the adjusted gross income concept.

[2] Tax-exempt interest, foreign-earned income exclusion, AMT tax preference, and nontaxable Social Security benefits only have an effect when using the expanded income concept.

[3] For taxable returns only, this does not include any possible effect on AMT.

[4] Less than 0.05 percent.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, June 2018.

Table 9. Individual Income Tax Returns Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2015

[All figures are estimates based on samples]

| Income concept and type of deduction, credit, or tax preference | Total | No deduction, credit, or tax preference | Number of returns on which income was reduced by percentage of income | | | |
|---|--------|---|---|-----------------------------|-----------------------------|-----------------------------|
| | | | Under 10 percent | 10 percent under 20 percent | 20 percent under 30 percent | 30 percent under 40 percent |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Adjusted gross income concept | | | | | | |
| Total itemized deductions | 11,082 | 4,230 | 1,278 | 730 | 267 | 139 |
| Interest paid deduction: | | | | | | |
| Total | 11,082 | 6,343 | 3,158 | 725 | 280 | 123 |
| Investment interest expense deduction per income concept | 11,082 | 9,339 | 1,123 | 139 | 93 | 59 |
| Taxes paid deduction | 11,082 | 4,686 | 4,208 | 1,139 | 464 | 185 |
| Charitable contributions deduction | 11,082 | 5,982 | 3,318 | 399 | 247 | 273 |
| Medical and dental expense deduction | 11,082 | 9,573 | 457 | 126 | 82 | 70 |
| Net casualty or theft loss deduction | 11,082 | 10,834 | 5 | 4 | 6 | 0 |
| Net limited miscellaneous deduction per income concept | 11,082 | 8,577 | 1,242 | 577 | 303 | 157 |
| Nonlimited miscellaneous deduction | 11,082 | 9,283 | 520 | 34 | 20 | 26 |
| Deduction equivalent of: | | | | | | |
| Total credits | 11,082 | 3,898 | 226 | 106 | 96 | 132 |
| Foreign tax credit | 11,082 | 4,374 | 362 | 22 | 15 | 20 |
| General business credit | 11,082 | 10,768 | 65 | 44 | 26 | 46 |
| Tax preferences excluded from adjusted gross income | 11,082 | 8,814 | 1,409 | 305 | 158 | 91 |
| Nontaxable Social Security benefits | 11,082 | 8,900 | 2,173 | ** 6 | ** | 0 |
| Capital gains taxed at 0 percent | 11,082 | 8,948 | 497 | 480 | 580 | 577 |
| Expanded income concept | | | | | | |
| Total itemized deductions | 22,297 | 8,802 | 2,413 | 2,377 | 1,554 | 1,187 |
| Interest paid deduction: | | | | | | |
| Total | 22,297 | 16,283 | 4,555 | 1,151 | 198 | 32 |
| Investment interest expense deduction per income concept | 22,297 | 19,336 | 2,679 | 163 | 56 | 16 |
| Taxes paid deduction | 22,297 | 9,315 | 8,356 | 2,796 | 950 | 349 |
| Charitable contributions deduction | 22,297 | 11,169 | 7,706 | 1,315 | 746 | 574 |
| Medical and dental expense deduction | 22,297 | 15,804 | 3,444 | 638 | 358 | 287 |
| Net casualty or theft loss deduction | 22,297 | 22,028 | 11 | 8 | 6 | 3 |
| Net limited miscellaneous deduction per income concept | 22,297 | 14,961 | 4,333 | 1,717 | 687 | 287 |
| Nonlimited miscellaneous deduction | 22,297 | 21,208 | 1,005 | 36 | 16 | 6 |
| Deduction equivalent of: | | | | | | |
| Total credits | 22,297 | 10,327 | 724 | 381 | 271 | 386 |
| Foreign tax credit | 22,297 | 10,965 | 861 | 188 | 152 | 265 |
| General business credit | 22,297 | 21,917 | 113 | 60 | 29 | 45 |
| Tax preferences excluded from adjusted gross income | 22,297 | 12,321 | 1,801 | 893 | 784 | 797 |
| Nontaxable Social Security benefits | 22,297 | 15,195 | 7,082 | 14 | 3 | 0 |
| Capital gains taxed at 0 percent | 22,297 | 15,821 | 2,660 | 1,787 | 1,278 | 751 |

Footnotes at end of table.

Table 9. Individual Income Tax Returns Without U.S. Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Income concept and type of deduction, credit, or tax preference | Number of returns on which income was reduced by percentage of income—continued | | | | |
|--|--|-----------------------------------|-----------------------------------|------------------------------------|---------------------------|
| | 40 percent under 50 percent | 50 percent under 60 percent | 60 percent under 70 percent | 70 percent under 100 percent | 100 percent or more |
| | (7) | (8) | (9) | (10) | (11) |
| Adjusted gross income concept | | | | | |
| Total itemized deductions | 122 | 195 | 537 | 1,468 | 2,116 |
| Interest paid deduction: | | | | | |
| Total | 71 | 53 | 47 | 140 | 142 |
| Investment interest expense deduction per income concept | 42 | 41 | 35 | 104 | 107 |
| Taxes paid deduction | 99 | 72 | 41 | 81 | 107 |
| Charitable contributions deduction | 200 | 650 | 0 | 4 | 9 |
| Medical and dental expense deduction | 90 | 121 | 132 | 296 | 135 |
| Net casualty or theft loss deduction | 4 | 8 | 10 | 64 | 147 |
| Net limited miscellaneous deduction per income concept | 58 | 39 | 27 | 46 | 56 |
| Nonlimited miscellaneous deduction | 14 | 19 | 35 | 502 | 629 |
| Deduction equivalent of: | | | | | |
| Total credits | 163 | 185 | 224 | 4,584 | 1,468 |
| Foreign tax credit | 71 | 117 | 148 | 4,490 | 1,463 |
| General business credit | 51 | 34 | 33 | 11 | 4 |
| Tax preferences excluded from adjusted gross income | 53 | 51 | 34 | 65 | 102 |
| Nontaxable Social Security benefits | 0 | 0 | 0 | 0 | 3 |
| Capital gains taxed at 0 percent | 0 | 0 | 0 | 0 | 0 |
| Expanded income concept | | | | | |
| Total itemized deductions | 1,085 | 995 | 1,018 | 1,715 | 1,150 |
| Interest paid deduction: | | | | | |
| Total | 17 | ** 7 | ** | 31 | 23 |
| Investment interest expense deduction per income concept | 12 | 5 | 6 | 9 | 15 |
| Taxes paid deduction | 158 | 103 | 61 | 97 | 111 |
| Charitable contributions deduction | 589 | 159 | 8 | 21 | 9 |
| Medical and dental expense deduction | 321 | 317 | 334 | 574 | 220 |
| Net casualty or theft loss deduction | 6 | 6 | 11 | 70 | 148 |
| Net limited miscellaneous deduction per income concept | 102 | 57 | 36 | 59 | 58 |
| Nonlimited miscellaneous deduction | 8 | 4 | ** 6 | ** | 8 |
| Deduction equivalent of: | | | | | |
| Total credits | 603 | 1,422 | 1,502 | 6,639 | 41 |
| Foreign tax credit | 502 | 1,352 | 1,425 | 6,548 | 38 |
| General business credit | 48 | 38 | 34 | 10 | 3 |
| Tax preferences excluded from adjusted gross income | 868 | 857 | 883 | 2,654 | 439 |
| Nontaxable Social Security benefits | 0 | 3 | 0 | 0 | 0 |
| Capital gains taxed at 0 percent | 0 | 0 | 0 | 0 | 0 |

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

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, June 2018.

Table 10. Individual Income Tax Returns Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2015

[All figures are estimates based on samples]

| Income concept and type of deduction, credit, or tax preference | Total | No deduction, credit, or tax preference | Number of returns on which income was reduced by percentage of income | | | |
|---|--------|---|---|-----------------------------|-----------------------------|-----------------------------|
| | | | Under 10 percent | 10 percent under 20 percent | 20 percent under 30 percent | 30 percent under 40 percent |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Adjusted gross income concept | | | | | | |
| Total itemized deductions | 4,373 | 37 | 28 | 58 | 74 | 53 |
| Interest paid deduction: | | | | | | |
| Total | 4,373 | 1,645 | 1,509 | 461 | 226 | 101 |
| Investment interest expense deduction per income concept | 4,373 | 3,027 | 794 | 105 | 82 | 52 |
| Taxes paid deduction | 4,373 | 129 | 2,418 | 880 | 384 | 174 |
| Charitable contributions deduction | 4,373 | 884 | 1,960 | 295 | 203 | 240 |
| Medical and dental expense deduction | 4,373 | 2,995 | 360 | 112 | 78 | 66 |
| Net casualty or theft loss deduction | 4,373 | 4,131 | 3 | 3 | 6 | 0 |
| Net limited miscellaneous deduction per income concept | 4,373 | 2,394 | 868 | 468 | 271 | 150 |
| Nonlimited miscellaneous deduction | 4,373 | 2,732 | 406 | 18 | 11 | 19 |
| Deduction equivalent of: | | | | | | |
| Total credits | 4,373 | 3,895 | 85 | 51 | 48 | 58 |
| Foreign tax credit | 4,373 | 4,373 | 0 | 0 | 0 | 0 |
| General business credit | 4,373 | 4,177 | 31 | 24 | 17 | 26 |
| Tax preferences excluded from adjusted gross income | 4,373 | 2,496 | 1,103 | 266 | 142 | 85 |
| Nontaxable Social Security benefits | 4,373 | 2,499 | 1,871 | 0 | 0 | 0 |
| Capital gains taxed at 0 percent | 4,373 | 2,717 | 394 | 394 | 512 | 356 |
| Expanded income concept | | | | | | |
| Total itemized deductions | 10,947 | 1,007 | 637 | 1,361 | 1,275 | 1,027 |
| Interest paid deduction: | | | | | | |
| Total | 10,947 | 7,534 | 2,327 | 830 | 155 | 26 |
| Investment interest expense deduction per income concept | 10,947 | 8,456 | 2,237 | 145 | 53 | 14 |
| Taxes paid deduction | 10,947 | 1,062 | 5,738 | 2,429 | 869 | 333 |
| Charitable contributions deduction | 10,947 | 2,093 | 5,783 | 1,148 | 677 | 530 |
| Medical and dental expense deduction | 10,947 | 4,855 | 3,130 | 594 | 345 | 275 |
| Net casualty or theft loss deduction | 10,947 | 10,685 | 7 | 8 | 6 | 3 |
| Net limited miscellaneous deduction per income concept | 10,947 | 4,377 | 3,761 | 1,569 | 650 | 281 |
| Nonlimited miscellaneous deduction | 10,947 | 10,003 | 874 | 30 | 11 | 6 |
| Deduction equivalent of: | | | | | | |
| Total credits | 10,947 | 10,247 | 266 | 97 | 51 | 52 |
| Foreign tax credit | 10,947 | 10,947 | 0 | 0 | 0 | 0 |
| General business credit | 10,947 | 10,742 | 40 | 30 | 12 | 24 |
| Tax preferences excluded from adjusted gross income | 10,947 | 1,874 | 1,330 | 796 | 716 | 739 |
| Nontaxable Social Security benefits | 10,947 | 4,744 | 6,197 | ** 3 | ** | 0 |
| Capital gains taxed at 0 percent | 10,947 | 5,824 | 2,041 | 1,494 | 1,074 | 514 |

Footnotes at end of table.

Table 10. Individual Income Tax Returns Without Worldwide Income Tax Liability and With Income of \$200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Income concept and type of deduction, credit, or tax preference | Number of returns on which income was reduced by percentage of income—continued | | | | |
|---|---|-----------------------------|-----------------------------|------------------------------|---------------------|
| | 40 percent under 50 percent | 50 percent under 60 percent | 60 percent under 70 percent | 70 percent under 100 percent | 100 percent or more |
| | (7) | (8) | (9) | (10) | (11) |
| Adjusted gross income concept | | | | | |
| Total itemized deductions | 54 | 89 | 466 | 1,400 | 2,114 |
| Interest paid deduction: | | | | | |
| Total | 65 | 47 | 42 | 136 | 141 |
| Investment interest expense deduction per income concept | 37 | 38 | 32 | 100 | 106 |
| Taxes paid deduction | 90 | 70 | 40 | 81 | 107 |
| Charitable contributions deduction | 182 | 596 | 0 | 4 | 9 |
| Medical and dental expense deduction | 86 | 118 | 128 | 295 | 135 |
| Net casualty or theft loss deduction | 4 | 7 | 10 | 63 | 146 |
| Net limited miscellaneous deduction per income concept | 56 | 38 | 26 | 46 | 56 |
| Nonlimited miscellaneous deduction | 12 | 17 | 32 | 497 | 629 |
| Deduction equivalent of: | | | | | |
| Total credits | 54 | 49 | 63 | 66 | 4 |
| Foreign tax credit | 0 | 0 | 0 | 0 | 0 |
| General business credit | 37 | 26 | 26 | 5 | 4 |
| Tax preferences excluded from adjusted gross income | 46 | 45 | 32 | 61 | 97 |
| Nontaxable Social Security benefits | 0 | 0 | 0 | 0 | 3 |
| Capital gains taxed at 0 percent | 0 | 0 | 0 | 0 | 0 |
| Expanded income concept | | | | | |
| Total itemized deductions | 944 | 895 | 970 | 1,683 | 1,148 |
| Interest paid deduction: | | | | | |
| Total | 15 | ** 6 | ** | 31 | 23 |
| Investment interest expense deduction per income concept | 10 | 4 | 6 | 9 | 13 |
| Taxes paid deduction | 148 | 101 | 59 | 97 | 111 |
| Charitable contributions deduction | 539 | 141 | 7 | 20 | 9 |
| Medical and dental expense deduction | 313 | 314 | 329 | 572 | 220 |
| Net casualty or theft loss deduction | 6 | 5 | 11 | 69 | 147 |
| Net limited miscellaneous deduction per income concept | 101 | 56 | 36 | 58 | 58 |
| Nonlimited miscellaneous deduction | 6 | 4 | ** 5 | ** | 8 |
| Deduction equivalent of: | | | | | |
| Total credits | 55 | 50 | 61 | 65 | 3 |
| Foreign tax credit | 0 | 0 | 0 | 0 | 0 |
| General business credit | 35 | 31 | 26 | 4 | 3 |
| Tax preferences excluded from adjusted gross income | 804 | 807 | 830 | 2,612 | 439 |
| Nontaxable Social Security benefits | 0 | 3 | 0 | 0 | 0 |
| Capital gains taxed at 0 percent | 0 | 0 | 0 | 0 | 0 |

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

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, June 2018.

Table 11. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2015

[All figures are estimates based on samples]

| Tax status, effective tax rate | Total | | | Size of adjusted gross income | | | | | |
|--|--------------------|---------------------|--|-------------------------------|---------------------|--|--------------------------|---------------------|--|
| | | | | Under \$50,000 [1] | | | \$50,000 under \$100,000 | | |
| | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| All returns | 150,493,263 | 100.0 | 7.7 | 92,406,915 | 100.0 | 1.0 | 32,801,909 | 100.0 | 1.8 |
| Returns without U.S. income tax | 51,452,534 | 34.2 | 1.4 | 49,755,498 | 53.8 | 1.0 | 1,555,719 | 4.7 | 4.3 |
| Effective tax rate: | | | | | | | | | |
| 0 percent | 18,556,700 | 12.3 | 5.3 | 18,136,072 | 19.6 | 3.1 | 323,927 | 1.0 | 13.7 |
| Under 0 over -10 percent | 14,705,776 | 9.8 | 0.7 | 13,437,923 | 14.6 | 0.3 | 1,223,236 | 3.8 | 1.5 |
| -10 over -20 percent | 5,063,880 | 3.4 | 0.1 | 5,055,324 | 5.5 | 0.1 | 8,556 | [2] | 6.6 |
| -20 percent and under | 13,126,179 | 8.7 | 0.0 | 13,126,179 | 14.2 | 0.0 | 0 | 0.0 | 0.0 |
| Returns with U.S. income tax | 99,040,729 | 65.8 | 8.1 | 42,651,418 | 46.2 | 0.9 | 31,246,190 | 95.3 | 1.7 |
| Effective tax rate: | | | | | | | | | |
| Over 0 under 5 percent | 25,509,976 | 17.0 | 4.3 | 19,621,269 | 21.2 | 1.6 | 5,169,669 | 15.8 | 3.8 |
| 5 under 10 percent | 37,293,083 | 24.8 | 2.6 | 19,193,927 | 20.8 | 0.5 | 13,966,217 | 42.6 | 1.6 |
| 10 under 15 percent | 23,287,556 | 15.5 | 4.1 | 3,777,021 | 4.1 | 0.5 | 9,544,911 | 29.1 | 1.3 |
| 15 under 20 percent | 9,280,301 | 6.2 | 10.2 | 32,541 | [2] | 34.0 | 2,556,313 | 7.8 | 0.6 |
| 20 under 25 percent | 2,314,337 | 1.5 | 28.2 | 9,050 | [2] | 19.7 | 7,505 | [2] | 23.4 |
| 25 under 30 percent | 987,730 | 0.7 | 11.5 | 4,051 | [2] | 17.0 | 128 | [2] | 0.0 |
| 30 under 35 percent | 293,384 | 0.2 | 6.0 | 2,335 | [2] | 10.6 | ** 1,038 | ** [2] | ** [2] |
| 35 under 40 percent | 58,201 | [2] | 2.8 | 24 | [2] | 0.0 | ** | ** | ** |
| 40 under 60 percent | 4,192 | [2] | 3.6 | 10 | [2] | 3.8 | 332 | [2] | 0.0 |
| 60 under 80 percent | 1,474 | [2] | 6.6 | 1,012 | [2] | 0.0 | 46 | [2] | 0.0 |
| 80 percent or more | 10,496 | [2] | [3] | 10,179 | [2] | 0.0 | 32 | [2] | 2.2 |

Footnotes at end of table.

Table 11. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, effective tax rate | Size of adjusted gross income—continued | | | | | | Total | | |
|--|---|---------------------|--|-------------------|---------------------|--|--------------------|---------------------|--|
| | \$100,000 under \$200,000 | | | \$200,000 or more | | | | | |
| | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates |
| | (10) | (11) | (12) | (13) | (14) | (15) | (16) | (17) | (18) |
| All returns | 18,532,593 | 100.0 | 3.3 | 6,751,845 | 100.0 | 17.9 | 150,493,263 | 100.0 | 7.5 |
| Returns without U.S. income tax | 130,235 | 0.7 | 14.3 | 11,082 | 0.2 | 6.6 | 51,452,534 | 34.2 | 1.5 |
| Effective tax rate: | | | | | | | | | |
| 0 percent | 85,653 | 0.5 | 15.7 | 11,047 | 0.2 | 6.6 | 18,556,700 | 12.3 | 5.1 |
| Under 0 over -10 percent | 44,582 | 0.2 | 11.4 | 35 | [2] | 11.6 | 14,869,436 | 9.9 | 0.7 |
| -10 over -20 percent | 0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 5,256,318 | 3.5 | 0.1 |
| -20 percent and under | 0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 | 12,770,079 | 8.5 | 0.0 |
| Returns with U.S. income tax | 18,402,358 | 99.3 | 3.3 | 6,740,763 | 99.8 | 17.9 | 99,040,729 | 65.8 | 8.0 |
| Effective tax rate: | | | | | | | | | |
| Over 0 under 5 percent | 640,818 | 3.5 | 15.3 | 78,220 | 1.2 | 15.9 | 26,253,873 | 17.4 | 4.1 |
| 5 under 10 percent | 4,018,197 | 21.7 | 4.8 | 114,743 | 1.7 | 33.0 | 36,424,455 | 24.2 | 2.8 |
| 10 under 15 percent | 9,316,929 | 50.3 | 2.7 | 648,695 | 9.6 | 25.1 | 23,325,125 | 15.5 | 4.1 |
| 15 under 20 percent | 3,993,496 | 21.5 | 1.8 | 2,697,951 | 40.0 | 18.7 | 9,346,799 | 6.2 | 10.2 |
| 20 under 25 percent | 423,559 | 2.3 | 1.0 | 1,874,224 | 27.8 | 30.1 | 2,340,685 | 1.6 | 27.6 |
| 25 under 30 percent | 6,287 | [2] | 3.1 | 977,264 | 14.5 | 11.6 | 993,728 | 0.7 | 11.2 |
| 30 under 35 percent | ** 1,984 | ** [2] | ** 12.7 | 289,037 | 4.3 | 6.0 | 286,870 | 0.2 | 5.8 |
| 35 under 40 percent | ** | ** | ** | 57,167 | 0.8 | 2.8 | 55,415 | [2] | 2.6 |
| 40 under 60 percent | 1,000 | [2] | 1.4 | 2,850 | [2] | 3.7 | 2,472 | [2] | 2.8 |
| 60 under 80 percent | 27 | [2] | 2.4 | 389 | [2] | 7.0 | 1,084 | [2] | 25.5 |
| 80 percent or more | 62 | [2] | 27.7 | 222 | [2] | 11.8 | 10,223 | [2] | [3] |

Footnotes at end of table.

Table 11. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, effective tax rate | Size of expanded income | | | | | |
|--|-------------------------|---------------------|--|--------------------------|---------------------|--|
| | Under \$50,000 [1] | | | \$50,000 under \$100,000 | | |
| | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates |
| | (19) | (20) | (21) | (22) | (23) | (24) |
| All returns | 89,929,787 | 100.0 | 0.7 | 35,234,743 | 100.0 | 1.7 |
| Returns without U.S. income tax | 49,024,438 | 54.5 | 0.7 | 2,229,824 | 6.3 | 3.3 |
| Effective tax rate: | | | | | | |
| 0 percent | 17,374,465 | 19.3 | 3.7 | 1,027,228 | 2.9 | 5.3 |
| Under 0 over -10 percent | 13,638,172 | 15.1 | 0.3 | 1,188,001 | 3.4 | 1.6 |
| -10 over -20 percent | 5,241,721 | 5.9 | 0.1 | 14,595 | [2] | 4.9 |
| -20 percent and under | 12,770,079 | 14.2 | 0.0 | 0 | 0.0 | 0.0 |
| Returns with U.S. income tax | 40,905,349 | 45.5 | 0.7 | 33,004,918 | 93.7 | 1.6 |
| Effective tax rate: | | | | | | |
| Over 0 under 5 percent | 18,516,933 | 20.6 | 1.1 | 6,994,163 | 19.9 | 3.5 |
| 5 under 10 percent | 18,259,980 | 20.3 | 0.4 | 14,055,923 | 39.9 | 1.3 |
| 10 under 15 percent | 4,070,564 | 4.5 | 0.4 | 9,261,030 | 26.3 | 1.2 |
| 15 under 20 percent | 27,608 | [2] | 34.2 | 2,683,940 | 7.6 | 0.5 |
| 20 under 25 percent | 10,056 | [2] | 18.1 | 5,085 | [2] | 21.4 |
| 25 under 30 percent | 6,042 | [2] | 8.9 | 4,363 | [2] | 0.0 |
| 30 under 35 percent | 3,032 | [2] | 2.2 | ** 32 | ** [2] | ** 1.2 |
| 35 under 40 percent | 24 | [2] | 2.5 | ** | ** | ** |
| 40 under 60 percent | 10 | [2] | 0.0 | 350 | [2] | 0.2 |
| 60 under 80 percent | 998 | [2] | 0.0 | 12 | [2] | 0.0 |
| 80 percent or more | 10,101 | [2] | 0.0 | 20 | [2] | 0.0 |

Footnotes at end of table.

Table 11. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, effective tax rate | Size of expanded income—continued | | | | | |
|--|-----------------------------------|---------------------|--|-------------------|---------------------|--|
| | \$100,000 under \$200,000 | | | \$200,000 or more | | |
| | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates |
| | (25) | (26) | (27) | (28) | (29) | (30) |
| All returns | 18,544,547 | 100.0 | 3.3 | 6,784,187 | 100.0 | 17.9 |
| Returns without U.S. income tax | 175,975 | 0.9 | 11.6 | 22,297 | 0.3 | 8.9 |
| Effective tax rate: | | | | | | |
| 0 percent | 133,280 | 0.7 | 11.6 | 21,727 | 0.3 | 8.8 |
| Under 0 over -10 percent | 42,695 | 0.2 | 12.7 | 570 | [2] | 17.4 |
| -10 over -20 percent | 0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 |
| -20 percent and under | 0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 |
| Returns with U.S. income tax | 18,368,572 | 99.1 | 3.2 | 6,761,890 | 99.7 | 17.9 |
| Effective tax rate: | | | | | | |
| Over 0 under 5 percent | 640,251 | 3.5 | 16.7 | 102,526 | 1.5 | 17.5 |
| 5 under 10 percent | 3,963,348 | 21.4 | 5.2 | 145,205 | 2.1 | 32.8 |
| 10 under 15 percent | 9,336,407 | 50.3 | 2.6 | 657,124 | 9.7 | 25.9 |
| 15 under 20 percent | 3,961,128 | 21.4 | 1.5 | 2,674,123 | 39.4 | 18.9 |
| 20 under 25 percent | 458,645 | 2.5 | 0.9 | 1,866,899 | 27.5 | 29.6 |
| 25 under 30 percent | 6,928 | [2] | 1.5 | 976,395 | 14.4 | 11.2 |
| 30 under 35 percent | ** 1,734 | ** [2] | ** 14.1 | 282,177 | 4.2 | 5.8 |
| 35 under 40 percent | ** | ** | ** | 55,285 | 0.8 | 2.6 |
| 40 under 60 percent | 46 | [2] | 20.7 | 2,065 | [2] | 2.7 |
| 60 under 80 percent | 16 | [2] | 4.0 | 58 | [2] | 32.1 |
| 80 percent or more | 69 | [2] | 24.2 | 33 | [2] | 8.1 |

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

[1] Includes returns with adjusted gross deficit or with negative expanded income.

[2] Less than 0.05 percent.

[3] Percentage not computed.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, High-Income Tax Returns, June 2018.

Table 12. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2015

[All figures are estimates based on samples]

| Tax status, effective tax rate | Total | | | Size of adjusted gross income | | |
|---|--------------------|---------------------|--|-------------------------------|---------------------|--|
| | | | | Under \$50,000 [1] | | |
| | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| All returns | 150,493,263 | 100.0 | 7.7 | 92,406,915 | 100.0 | 1.0 |
| Returns without worldwide income tax | 51,254,202 | 34.1 | 1.1 | 49,638,336 | 53.7 | 1.0 |
| Effective tax rate: | | | | | | |
| 0 percent | 18,376,368 | 12.2 | 2.5 | 18,028,245 | 19.5 | 1.5 |
| Under 0 over -10 percent | 14,687,777 | 9.8 | 0.7 | 13,428,589 | 14.6 | 0.3 |
| -10 over -20 percent | 5,063,880 | 3.4 | 0.1 | 5,055,324 | 5.5 | 0.1 |
| -20 percent and under | 13,126,178 | 8.7 | 0.0 | 13,126,178 | 14.2 | 0.0 |
| Returns with worldwide income tax | 99,239,060 | 65.9 | 8.1 | 42,768,580 | 46.3 | 1.0 |
| Effective tax rate: | | | | | | |
| Under 5 percent | 25,515,924 | 17.0 | 3.9 | 19,684,221 | 21.3 | 1.6 |
| 5 under 10 percent | 37,296,548 | 24.8 | 2.5 | 19,220,320 | 20.8 | 0.5 |
| 10 under 15 percent | 23,294,864 | 15.5 | 3.9 | 3,789,848 | 4.1 | 0.5 |
| 15 under 20 percent | 9,325,265 | 6.2 | 9.9 | 33,447 | [2] | 29.1 |
| 20 under 25 percent | 2,346,951 | 1.6 | 29.0 | 14,094 | [2] | 21.4 |
| 25 under 30 percent | 1,030,632 | 0.7 | 12.2 | 4,053 | [2] | 17.0 |
| 30 under 35 percent | 321,741 | 0.2 | 6.3 | 3,808 | [2] | 6.0 |
| 35 under 40 percent | 70,983 | [2] | 3.1 | 26 | [2] | 0.2 |
| 40 under 60 percent | 14,232 | [2] | 3.4 | 1,003 | [2] | [2] |
| 60 under 80 percent | 6,318 | [2] | 4.1 | 3,504 | [2] | [2] |
| 80 percent or more | 15,601 | [2] | [3] | 14,256 | [2] | 0.0 |

Footnotes at end of table.

Table 12. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, effective tax rate | Size of adjusted gross income—continued | | | | | |
|---|---|---------------------|--|---------------------------|---------------------|--|
| | \$50,000 under \$100,000 | | | \$100,000 under \$200,000 | | |
| | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates |
| | (7) | (8) | (9) | (10) | (11) | (12) |
| All returns | 32,801,909 | 100.0 | 1.8 | 18,532,593 | 100.0 | 3.3 |
| Returns without worldwide income tax | 1,510,609 | 4.6 | 3.8 | 100,884 | 0.5 | 15.4 |
| Effective tax rate: | | | | | | |
| 0 percent | 284,866 | 0.9 | 12.8 | 58,912 | 0.3 | 17.4 |
| Under 0 over -10 percent | 1,217,187 | 3.7 | 1.6 | 41,973 | 0.2 | 12.2 |
| -10 over -20 percent | 8,556 | [2] | 6.7 | 0 | 0.0 | 0.0 |
| -20 percent and under | 0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 |
| Returns with worldwide income tax | 31,291,300 | 95.4 | 1.8 | 18,431,709 | 99.5 | 3.3 |
| Effective tax rate: | | | | | | |
| Under 5 percent | 5,171,960 | 15.8 | 3.9 | 619,538 | 3.3 | 15.3 |
| 5 under 10 percent | 13,967,475 | 42.6 | 1.6 | 4,009,212 | 21.6 | 4.8 |
| 10 under 15 percent | 9,559,452 | 29.1 | 1.3 | 9,316,176 | 50.3 | 2.8 |
| 15 under 20 percent | 2,572,700 | 7.8 | 0.6 | 4,025,068 | 21.7 | 1.9 |
| 20 under 25 percent | 11,207 | [2] | 16.4 | 437,118 | 2.4 | 1.3 |
| 25 under 30 percent | 2,454 | [2] | 1.2 | 14,673 | 0.1 | 2.3 |
| 30 under 35 percent | 345 | [2] | 0.4 | 3,662 | [2] | 6.4 |
| 35 under 40 percent | 1,327 | [2] | 0.2 | 1,349 | [2] | 18.1 |
| 40 under 60 percent | 1,924 | [2] | 0.2 | 4,053 | [2] | 4.0 |
| 60 under 80 percent | 1,733 | [2] | 0.5 | 469 | [2] | 18.6 |
| 80 percent or more | 722 | [2] | 0.5 | 391 | [2] | 4.8 |

Footnotes at end of table.

Table 12. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, effective tax rate | Size of adjusted gross income—continued | | | Total | | |
|---|---|---------------------|--|--------------------|---------------------|--|
| | \$200,000 or more | | | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates |
| | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates | | | |
| | (13) | (14) | (15) | (16) | (17) | (18) |
| All returns | 6,751,845 | 100.0 | 17.9 | 150,493,263 | 100.0 | 7.5 |
| Returns without worldwide income tax | 4,373 | 0.1 | 4.9 | 51,254,202 | 34.1 | 1.3 |
| Effective tax rate: | | | | | | |
| 0 percent | 4,345 | 0.1 | 4.8 | 18,376,368 | 12.2 | 4.6 |
| Under 0 over -10 percent | 28 | [2] | 13.8 | 14,851,439 | 9.9 | 0.7 |
| -10 over -20 percent | 0 | 0.0 | 0.0 | 5,256,317 | 3.5 | 0.1 |
| -20 percent and under | 0 | 0.0 | 0.0 | 12,770,078 | 8.5 | 0.0 |
| Returns with worldwide income tax | 6,747,472 | 99.9 | 17.9 | 99,239,060 | 65.9 | 8.0 |
| Effective tax rate: | | | | | | |
| Under 5 percent | 40,205 | 0.6 | 12.6 | 26,257,134 | 17.4 | 3.7 |
| 5 under 10 percent | 99,540 | 1.5 | 34.8 | 36,441,542 | 24.2 | 2.6 |
| 10 under 15 percent | 629,389 | 9.3 | 24.7 | 23,346,150 | 15.5 | 4.0 |
| 15 under 20 percent | 2,694,051 | 39.9 | 18.2 | 9,399,136 | 6.2 | 9.9 |
| 20 under 25 percent | 1,884,532 | 27.9 | 31.0 | 2,371,451 | 1.6 | 28.3 |
| 25 under 30 percent | 1,009,453 | 15.0 | 12.3 | 1,030,385 | 0.7 | 11.8 |
| 30 under 35 percent | 313,925 | 4.6 | 6.3 | 313,871 | 0.2 | 6.1 |
| 35 under 40 percent | 68,281 | 1.0 | 3.1 | 64,682 | [2] | 2.9 |
| 40 under 60 percent | 7,253 | 0.1 | 3.5 | 2,973 | [2] | 2.8 |
| 60 under 80 percent | 612 | [2] | 5.1 | 1,152 | [2] | 19.7 |
| 80 percent or more | 232 | [2] | 11.6 | 10,585 | [2] | [3] |

Footnotes at end of table.

Table 12. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, effective tax rate | Size of expanded income | | | | | |
|---|-------------------------|---------------------|--|--------------------------|---------------------|--|
| | Under \$50,000 [1] | | | \$50,000 under \$100,000 | | |
| | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates |
| | (19) | (20) | (21) | (22) | (23) | (24) |
| All returns | 89,929,787 | 100.0 | 0.7 | 35,234,743 | 100.0 | 1.7 |
| Returns without worldwide income tax | 48,932,955 | 54.4 | 0.7 | 2,179,650 | 6.2 | 3.0 |
| Effective tax rate: | | | | | | |
| 0 percent | 17,291,342 | 19.2 | 3.6 | continued | 2.8 | 4.7 |
| Under 0 over -10 percent | 13,629,812 | 15.1 | 0.3 | 1,181,952 | 3.4 | 1.6 |
| -10 over -20 percent | 5,241,722 | 5.9 | 0.1 | 14,595 | [2] | 3.9 |
| -20 percent and under | 12,770,078 | 14.2 | 0.0 | 0 | 0.0 | 0.0 |
| Returns with worldwide income tax | 40,996,832 | 45.6 | 0.7 | 33,055,093 | 93.8 | 1.7 |
| Effective tax rate: | | | | | | |
| Under 5 percent | 18,574,531 | 20.7 | 1.1 | 7,009,475 | 19.9 | 3.6 |
| 5 under 10 percent | 18,284,102 | 20.3 | 0.4 | 14,065,127 | 39.9 | 1.4 |
| 10 under 15 percent | 4,077,351 | 4.5 | 0.4 | 9,274,597 | 26.3 | 1.2 |
| 15 under 20 percent | 28,666 | [2] | 33.4 | 2,696,002 | 7.7 | 0.5 |
| 20 under 25 percent | 11,609 | [2] | 22.8 | 5,085 | [2] | 21.4 |
| 25 under 30 percent | ** 9,074 | ** [2] | ** 6.8 | ** 4,424 | ** [2] | ** [2] |
| 30 under 35 percent | ** | ** | ** | ** | ** | ** |
| 35 under 40 percent | 24 | [2] | 2.5 | 0 | 0.0 | 0.0 |
| 40 under 60 percent | 17 | [2] | 1.5 | 351 | [2] | 0.3 |
| 60 under 80 percent | 998 | [2] | 0.0 | 12 | [2] | 0.0 |
| 80 percent or more | 10,458 | [2] | 0.0 | 20 | [2] | 0.0 |

Footnotes at end of table.

Table 12. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2015—Continued

[All figures are estimates based on samples]

| Tax status, effective tax rate | Size of expanded income—continued | | | | | |
|---|-----------------------------------|---------------------|--|-------------------|---------------------|--|
| | \$100,000 under \$200,000 | | | \$200,000 or more | | |
| | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates | Number of returns | Percentage of total | Percentage of income subject to preferential tax rates |
| | (25) | (26) | (27) | (28) | (29) | (30) |
| All returns | 18,544,547 | 100.0 | 3.3 | 6,784,187 | 100.0 | 17.9 |
| Returns without worldwide income tax | 130,651 | 0.7 | 12.7 | 10,947 | 0.2 | 5.6 |
| Effective tax rate: | | | | | | |
| 0 percent | 91,532 | 0.5 | 12.7 | 10,391 | 0.2 | 5.6 |
| Under 0 over -10 percent | 39,118 | 0.2 | 12.7 | 556 | [2] | 5.6 |
| -10 over -20 percent | 0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 |
| -20 percent and under | 0 | 0.0 | 0.0 | 0 | 0.0 | 0.0 |
| Returns with worldwide income tax | 18,413,896 | 99.3 | 3.3 | 6,773,240 | 99.8 | 17.9 |
| Effective tax rate: | | | | | | |
| Under 5 percent | 620,795 | 3.3 | 16.9 | 52,333 | 0.8 | 19.9 |
| 5 under 10 percent | 3,964,476 | 21.4 | 5.2 | 127,837 | 1.9 | 34.9 |
| 10 under 15 percent | 9,351,398 | 50.4 | 2.6 | 642,804 | 9.5 | 25.7 |
| 15 under 20 percent | 3,991,160 | 21.5 | 1.6 | 2,683,308 | 39.6 | 18.5 |
| 20 under 25 percent | 472,936 | 2.6 | 1.0 | 1,881,820 | 27.7 | 30.4 |
| 25 under 30 percent | 9,434 | 0.1 | 1.5 | 1,010,516 | 14.9 | 11.8 |
| 30 under 35 percent | 3,139 | [2] | 7.1 | 307,669 | 4.5 | 6.1 |
| 35 under 40 percent | 417 | [2] | 0.3 | 64,242 | 0.9 | 2.9 |
| 40 under 60 percent | 54 | [2] | 16.2 | 2,551 | [2] | 2.8 |
| 60 under 80 percent | 19 | [2] | 3.3 | 123 | [2] | 22.6 |
| 80 percent or more | 69 | [2] | 24.2 | 37 | [2] | 7.7 |

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

[1] Includes returns with adjusted gross deficit or with negative expanded income.

[2] Less than 0.05 percent.

[3] Percentage not computed.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, June 2018.

Partnership Returns, Tax Year 2016

by Ron DeCarlo and Nina Shumofsky

SOI has published partnership data annually since 1957

A partnership is the relationship between two or more persons who join to carry on a trade or business. Each person contributes money, property, labor, or skill with the expectation of sharing in the profits and losses of the business, regardless of whether a formal partnership agreement was made. Every partnership that engages in trade or business, or has income from sources in the United States, must file an annual information return with the Internal Revenue Service, either Form 1065, *U.S. Partnership Return of Income*, or Form 1065-B, *U.S. Return of Income for Electing Large Partnerships*.

The IRS Statistics of Income (SOI) Division has published partnership data annually since 1957. Prior to that, SOI published financial data for 1939, 1946, 1947, and 1953 only. SOI individual income tax statistics show the number of returns with income or loss from partnerships, and the corresponding amounts, starting with 1917.

The number of partnerships and partners in the United States continued to increase for Tax Year 2016. Partnerships filed more than 3.7 million informational returns for the year, representing more than 28 million partners. The Real estate and rental and leasing sector contained just under half of all partnerships (49.9 percent) and over a quarter of all partners (29.7 percent).

Total assets and total net income (loss) increased in 2016 compared to the prior year while total receipts declined (Figure A).¹ The Finance and insurance sector accounted for the largest portion of each of these three critical financial figures.

The number of partnerships grew 1.3 percent (from 3,715,187 to 3,763,117) between 2015 and 2016 (Figure B). Since 2007,² the number of partnerships has grown at an average annual rate of 2.5 percent. Partnerships classified as limited liability companies (LLCs) accounted for most of this growth.³

The number of partners increased 4 percent (from 27,093,015 to 28,163,819) between 2015 and 2016. Partnerships with less than 3 partners made up more than half (53.1 percent) of all partnerships (Figure C). These same-sized partnerships accounted

Highlights

- Partnerships filed more than 3.7 million returns for 2016, a 1.3-percent increase over the number filed for 2015. These returns represented 28.2 million partners, up 4 percent from the previous year.
- Limited liability companies (LLCs) made up the majority of partnerships (69.6 percent), surpassing all other entity types for the 15th consecutive year.
- Limited partnerships represented only 11.0 percent of all partnerships, but reported the most profits (30.4 percent), and had the largest share of partners (41.3 percent).
- Real estate and rental and leasing accounted for about half (49.9 percent) of all partnerships and over a quarter (29.7 percent) of all partners. The Finance and insurance sector reported the largest shares of total net income (loss) (43.1 percent), total assets (54 percent), and total receipts (21.1 percent) for 2016.
- Total assets increased 5.8 percent between 2015 and 2016, from \$27.4 trillion to \$29 trillion. All 20 industrial sectors reported an increase.
- Receipts totaled \$7.0 trillion for 2016, down 2.3 percent from the amount reported for 2015. Long term capital gains accounted for the majority of this decline.

Figure A
Partnership Returns: Percentage Changes in Selected Items, Tax Years 2007–2016

| Tax year | Number of partnerships | Number of partners | Total assets | Total receipts | Total net income (loss) |
|----------|------------------------|--------------------|--------------|----------------|-------------------------|
| | (1) | (2) | (3) | (4) | (5) |
| 2007 | 5.1 | 10.7 | 18.9 | 14.9 | 2.5 |
| 2008 | 1.6 | 4.2 | -5.5 | -0.3 | -33.0 |
| 2009 | 0.7 | 9.5 | -2.4 | -18.1 | -10.5 |
| 2010 | 2.5 | 6.1 | 5.4 | 14.3 | 44.9 |
| 2011 | 1.1 | 8.7 | 3.8 | 9.8 | -2.2 |
| 2012 | 3.1 | 3.9 | 7.0 | 9.4 | 33.9 |
| 2013 | 2.1 | 8.5 | 9.8 | 7.1 | -1.2 |
| 2014 | 4.4 | 0.8 | 8.1 | 5.6 | 9.0 |
| 2015 | 2.9 | -2.2 | 4.7 | -4.4 | -6.8 |
| 2016 | 1.3 | 4.0 | 5.8 | -2.3 | 1.4 |

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

¹ This article references Tax Year 2015 data. For further information on these data, see Ron DeCarlo and Nina Shumofsky, "Partnership Returns, Tax Year 2015," *Statistics of Income Bulletin*, Spring 2018, Volume 37, Number 4.

² See the Explanation of Selected Terms section for information on the differences in calculation of total receipts and total net income (loss).

³ See the Explanation of Selected Terms section for more information on LLCs.



Figure B

Partnership Returns: Number of Partnerships and Partners, by Selected Industrial Group, Tax Years 2015 and 2016

| Industrial group | Number of partnerships | | Percentage change | Number of partners | | Percentage change |
|--|------------------------|------------------|-------------------|--------------------|-------------------|-------------------|
| | 2015 | 2016 | | 2015 | 2016 | |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| All industries | 3,715,187 | 3,763,117 | 1.3 | 27,093,015 | 28,163,819 | 4.0 |
| Finance and insurance | 358,416 | 379,300 | 5.8 | 6,189,038 | 7,403,812 | 19.6 |
| Securities, commodity contracts, and other financial investments and related activities | 274,604 | 289,477 | 5.4 | 5,555,048 | 6,161,301 | 10.9 |
| Securities and commodity contracts and exchanges | 7,206 | 7,738 | 7.4 | 478,907 | 529,059 | 10.5 |
| Other financial investment activities | 267,398 | 281,740 | 5.4 | 5,076,141 | 5,632,242 | 11.0 |
| Funds, trusts and other financial vehicles | 49,526 | 44,048 | -11.1 | 421,816 | 1,001,958 | 137.5 |
| Other finance and insurance | 34,285 | 45,774 | 33.5 | 212,175 | 240,554 | 13.4 |
| Real estate and rental and leasing | 1,846,071 | 1,877,734 | 1.7 | 7,914,900 | 8,366,525 | 5.7 |
| Real estate | 1,811,793 | 1,836,804 | 1.4 | 7,782,932 | 8,216,549 | 5.6 |
| Lessors of residential buildings and dwellings and cooperative housing | 635,165 | 621,393 | -2.2 | 2,765,271 | 2,755,446 | -0.4 |
| Lessors of nonresidential buildings (except miniwarehouses) | 707,032 | 733,373 | 3.7 | 2,759,951 | 3,007,837 | 9.0 |
| Lessors of miniwarehouses and self-storage units | 17,422 | 21,242 | 21.9 | 71,821 | 83,007 | 15.6 |
| Lessors of other real estate property | 110,412 | 94,409 | -14.5 | 495,761 | 477,176 | -3.7 |
| Other real estate activities | 341,761 | 366,387 | 7.2 | 1,690,129 | 1,893,083 | 12.0 |
| Rental and leasing services and lessors of nonfinancial intangible assets (except copyrighted works) | 34,278 | 40,929 | 19.4 | 131,968 | 149,976 | 13.6 |

NOTES: Detail may not add to totals because of rounding. For data on additional industries, see Table 10.

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

Figure C

Partnership Returns: Number of Partnerships and Partners, by Number of Partners per Partnership, Tax Year 2016

| Number of partners per partnership | Total number of partnerships | Partnerships with \$100,000,000 or more in assets | | Total number of partners | Partnerships with \$100,000,000 or more in assets | |
|--|------------------------------|---|---------------------|--------------------------|---|---------------------|
| | | Number of partnerships | Percentage of total | | Number of partners | Percentage of total |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Number of partnerships, total | 3,763,117 | 29,643 | 0.8 | 28,163,819 | 10,206,445 | 36.2 |
| Number of partners per partnership: | | | | | | |
| Less than 3 | 1,996,368 | 7,675 | 0.4 | 3,992,547 | 15,343 | 0.4 |
| 3 less than 5 | 1,081,808 | 6,358 | 0.6 | 3,647,516 | 21,284 | 0.6 |
| 5 less than 10 | 449,539 | 3,895 | 0.9 | 2,770,168 | 25,396 | 0.9 |
| 10 less than 20 | 132,451 | 2,772 | 2.1 | 1,787,709 | 38,029 | 2.1 |
| 20 less than 30 | 41,465 | 1,545 | 3.7 | 1,000,295 | 39,681 | 4.0 |
| 30 less than 40 | 18,905 | 1,159 | 6.1 | 675,029 | 39,681 | 5.9 |
| 40 less than 50 | 12,656 | 852 | 6.7 | 560,022 | 37,630 | 6.7 |
| 50 less than 60 | 5,096 | 700 | 13.7 | 275,647 | 38,095 | 13.8 |
| 60 less than 70 | 4,382 | 547 | 12.5 | 278,898 | 35,096 | 12.6 |
| 70 less than 80 | 5,361 | 565 | 10.5 | 394,647 | 41,943 | 10.6 |
| 80 less than 90 | 2,008 | 408 | 20.3 | 169,318 | 34,368 | 20.3 |
| 90 less than 100 | 1,552 | 342 | 22.0 | 145,837 | 32,203 | 22.1 |
| 100 or greater | 11,525 | 2,827 | 24.5 | 12,466,187 | 10,509,830 | 84.3 |
| 1,000 or greater [1] | 336 | 280 | 83.3 | 10,404,337 | 9,903,621 | 95.2 |

[1] These statistics are also included on the line entitled "100 or greater."

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

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

for just over a quarter (25.9 percent) of all partnerships with total assets of \$100 million or more. Despite the large portion of partnerships with less than 3 partners, partnerships with 100 or more partners accounted for 44.3 percent of all partners in 2016.

Partnerships do not pay taxes on their income, but “pass through” any profits and losses to their partners, who must include those profits and losses on their income tax returns. For 2016, partnerships passed through \$1,379.8 billion in total income (loss) minus total deductions available for allocation to their partners (Table 5). This amount represents a 14.2-percent decline from 2015 when partnerships passed through \$1,607.3 billion. The Finance and insurance sector accounted both for the largest amount reported and the biggest change in passthrough dollars, decreasing \$191.8 billion to \$721.7 billion for 2016. Also for this year, for the fifth consecutive time, partners who are partnerships received the largest portion of this income.⁴

Finance and insurance industry dominated assets, receipts, and net income (loss)

Historically, partnerships classified in the Real estate and rental and leasing sector have dominated the statistics for both the number of partnerships and partners. This sector accounted for half of all partnerships for both 2016 (49.9 percent) and 2015 (49.7 percent), and it made up more than a quarter of all partners for 2016 (29.7 percent) and 2015 (29.2 percent). While

partnerships in this sector accounted for the majority of partnerships, they reported 22.7 percent of total assets, only 8.5 percent of total receipts, and 13.4 percent of total net income (loss) for 2016 (Figure D).

The Finance and insurance sector, however, represented a larger percentage of several key money amounts, compared to all other sectors for 2016. Partnerships classified in this sector reported the largest share of total assets (54.0 percent), total receipts (21.1 percent), and total net income (loss) (43.1 percent). However, this sector accounted for a smaller portion of total partnerships (10.1 percent) and partners (26.3 percent).

The Finance and insurance sector includes an industry category named “Other financial investment activities.” This industry remained the dominant industry in the Finance and insurance sector for the year. It represented the largest share of the sector’s partnerships (74.3 percent), partners (76.1 percent), total assets (83.9 percent), total net income (loss) (82.3 percent), and total receipts (79.4 percent) for 2016. This industry has accounted for 60 percent or more of these categories since 2004.

Total assets continued to increase

Total assets for all partnerships increased for the seventh year in a row. For 2016, all 20 industrial sectors reported an increase, compared to increases in 19 sectors in 2015. For partnerships reporting balance sheet information, total assets rose 5.8 percent

Figure D

Partnership Returns: Total Assets, Total Receipts, and Total Net Income (Loss), by Selected Industrial Group, Tax Years 2015 and 2016

[Money amounts are in thousands of dollars]

| Industrial group | Total assets | | Percentage change | Total receipts | | Percentage change | Total net income (loss) | | Percentage change |
|--|-----------------------|-----------------------|-------------------|----------------------|----------------------|-------------------|-------------------------|--------------------|-------------------|
| | 2015 | 2016 | | 2015 | 2016 | | 2015 | 2016 | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| All industries | 27,366,266,830 | 28,950,043,266 | 5.8 | 7,144,498,577 | 6,979,300,922 | -2.3 | 780,504,367 | 791,703,641 | 1.4 |
| Finance and insurance | 15,048,366,024 | 15,638,617,618 | 3.9 | 1,639,716,637 | 1,469,534,032 | -10.4 | 319,080,255 | 341,148,016 | 6.9 |
| Securities, commodity contracts, and other financial investments and related activities | 13,021,707,705 | 13,600,115,204 | 4.4 | 1,406,217,426 | 1,261,857,960 | -10.3 | 264,549,790 | 286,566,283 | 8.3 |
| Securities and commodity contracts and exchanges | 503,096,492 | 478,822,142 | -4.8 | 110,294,522 | 95,513,161 | -13.4 | 5,951,111 | 5,902,127 | -0.8 |
| Other financial investment activities | 12,518,611,213 | 13,121,293,062 | 4.8 | 1,295,922,904 | 1,166,344,799 | -10.0 | 258,598,678 | 280,664,157 | 8.5 |
| Funds, trusts and other financial vehicles | 1,735,308,242 | 1,717,208,781 | -1.0 | 153,680,229 | 124,799,338 | -18.8 | 40,465,860 | 39,609,460 | -2.1 |
| Other finance and insurance | 291,350,077 | 321,293,632 | 10.3 | 79,818,981 | 82,876,734 | 3.8 | 14,064,606 | 14,972,273 | 6.5 |
| Real estate and rental and leasing | 6,135,352,807 | 6,571,438,695 | 7.1 | 621,759,247 | 594,392,348 | -4.4 | 100,018,419 | 106,020,967 | 6.0 |
| Real estate | 5,950,049,174 | 6,358,811,377 | 6.9 | 566,362,588 | 530,150,978 | -6.4 | 90,883,197 | 95,164,400 | 4.7 |
| Lessors of residential buildings and dwellings and cooperative housing | 1,647,995,944 | 1,781,032,015 | 8.1 | 102,616,140 | 83,909,794 | -18.2 | -5,092,814 | -7,473,836 | -46.8 |
| Lessors of nonresidential buildings (except miniwarehouses) | 2,898,408,013 | 2,993,822,927 | 3.3 | 207,194,868 | 197,926,213 | -4.5 | 72,448,069 | 78,633,799 | 8.5 |
| Lessors of miniwarehouses and self-storage units | 59,469,217 | 70,145,879 | 18.0 | 9,443,032 | 4,885,656 | -48.3 | 3,266,455 | 3,079,963 | -5.7 |
| Lessors of other real estate property | 208,050,338 | 213,776,875 | 2.8 | 17,759,494 | 18,531,938 | 4.3 | 5,475,900 | 5,516,171 | 0.7 |
| Other real estate activities | 1,136,125,662 | 1,300,033,680 | 14.4 | 229,349,054 | 224,897,377 | -1.9 | 14,785,587 | 15,408,302 | 4.2 |
| Rental and leasing services and lessors of nonfinancial intangible assets (except copyrighted works) | 185,303,633 | 212,627,318 | 14.7 | 55,396,660 | 64,241,370 | 16.0 | 9,135,223 | 10,856,567 | 18.8 |

NOTES: Detail may not add to totals because of rounding. For data on additional industries, see Table 10.

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

⁴ For further discussion of passthrough income, see the section of the article entitled “Partnerships allocated more than \$1.3 trillion to their partners in 2016.”

(from \$27.4 trillion to \$29.0 trillion) between 2015 and 2016. The Finance and insurance sector accounted for the largest portion of this growth, with an increase of \$590.3 billion (from \$15,048.4 billion to \$15,638.6 billion), followed by the Real estate and rental and leasing sector with an increase of \$436.1 billion (from \$6,135.4 billion to \$6,571.4 billion) (Table 10).

Total receipts fell 2.3 percent between 2015 and 2016

Partnerships reported a 2.3-percent decrease in total receipts (from \$7.1 trillion to \$7.0 trillion) between 2015 and 2016. Business receipts made up the majority of total receipts (70.5 percent) and showed a small increase of \$41.3 billion (remaining at \$4.9 trillion) for the year (Table 7).⁵ Long term capital gains were the largest decreasing component of total receipts (from \$725.0 billion to \$562.0 billion). The largest decrease was in the Finance and insurance sector (\$170.2 billion). Forty percent (8 out

of 20) of the industrial sectors reported a decline in total receipts for the year.

The Mining sector reported the largest decrease in total net income (loss)

Total net income (loss) or profits increased 1.4 percent (from \$780.5 billion to \$791.7 billion) between 2015 and 2016 (Figure E). Interest income accounted for the largest portion of this increase (\$26.1 billion). However, a \$25.2-billion decrease in ordinary business income offset most of that increase.

Despite the overall increase, 13 industrial sectors reported a decrease in profits, contrasting to 2015 when only 8 sectors showed a decrease in profits (Table 10). The Finance and insurance sector had the largest increase, \$22.1 billion or 6.9 percent. The Utilities sector reported the largest overall decrease in profits (down \$8.1 billion or 104.7 percent) for 2016.

Figure E

Partnership Returns: Components of Total Net Income (Loss), Tax Years 2015 and 2016

[Money amounts are in thousands of dollars]

| Item | 2015 | 2016 | Change | |
|--------------------------------------|--------------------|--------------------|-------------------|------------|
| | | | Amount | Percentage |
| | (1) | (2) | (3) | (4) |
| Total net income (loss) [1] | 780,504,367 | 791,703,641 | 11,199,274 | 1.4 |
| Ordinary business income (loss) | 379,936,585 | 354,724,024 | -25,212,561 | -6.6 |
| Interest income | 155,005,964 | 181,106,456 | 26,100,492 | 16.8 |
| Dividend income | 159,450,074 | 166,780,363 | 7,330,289 | 4.6 |
| Royalties | 29,803,275 | 27,998,219 | -1,805,056 | -6.1 |
| Net rental real estate income (loss) | 54,409,785 | 57,012,446 | 2,602,661 | 4.8 |
| Other net rental income (loss) | 1,898,684 | 4,082,134 | 2,183,450 | 115.0 |

[1] Total net income (loss) is discussed in the Explanation of Selected Terms section.

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

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

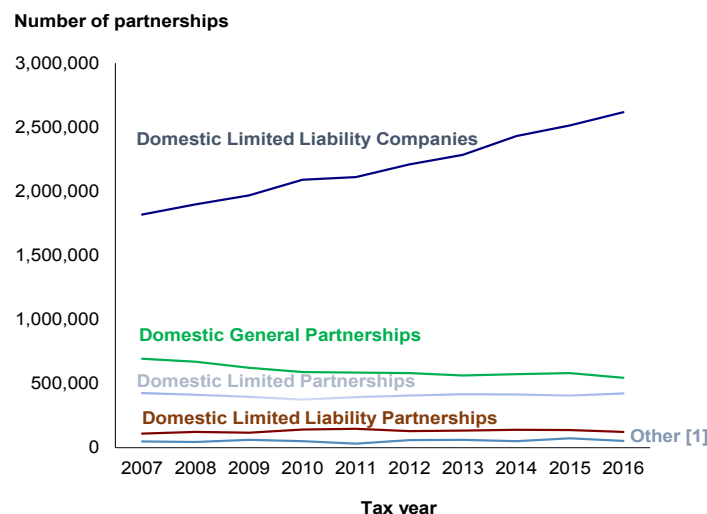
Limited liability companies made up the majority of all partnerships for the 15th consecutive year

Partnerships classify their business structures as one of six entity types: domestic general partnership, domestic limited partnership, domestic limited liability company, domestic limited liability partnership, foreign partnership, or "other" partnership.⁶

Limited liability companies (LLCs) accounted for 69.6 percent of all partnerships, surpassing all other entity types for the 15th consecutive year. The number of LLCs rose to 2.6 million after increasing 4.1 percent between 2015 and 2016 (Figure F). Partners associated with LLCs increased 3.7 percent (from 10.8 million to 11.2 million) while LLC profits decreased 1.2 percent (from \$247.5 billion to \$244.6 billion) (Figure G). LLCs were responsible for 30.9 percent of the overall profits for all partnerships for 2016, a decrease from 31.7 percent in 2015. Looking at gains and losses separately, the losses for LLCs (\$272.1 billion) were more than double the combined losses for all other types of partnerships (\$109.5 billion) and reduced the net profit amount for partnerships overall.

Figure F

Number of Partnerships by Type of Entity, Tax Years 2007–2016

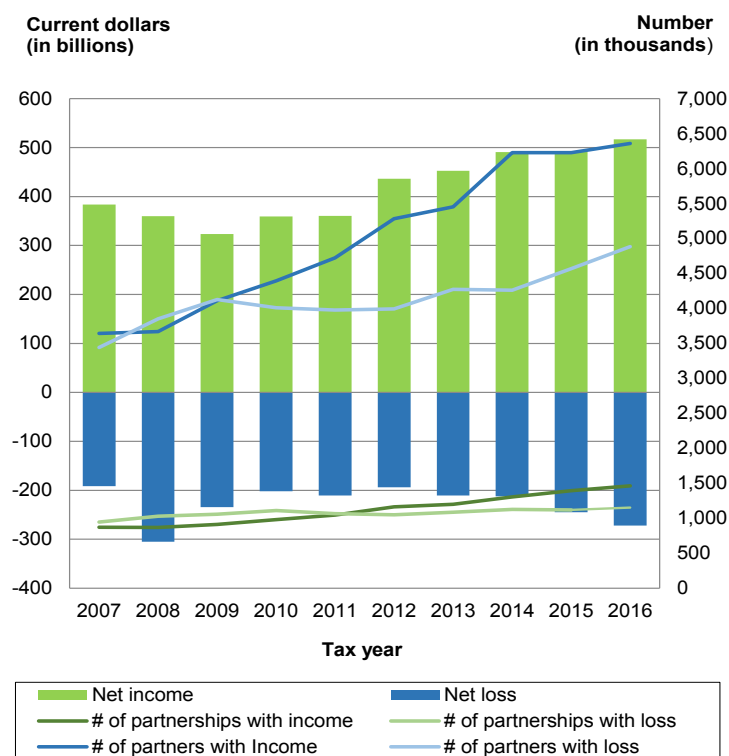


[1] Data for "other" partnerships include foreign partnerships, as well as partnerships which checked the "other" box, Form 1065, Schedule B, line 1, Type of Entity, or did not check a box.

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

⁵ See the Explanation of Selected Terms section for the definition of total receipts and business receipts.

⁶ See the Explanation of Selected Terms section for definitions of the different entity types.

Figure G
Domestic Limited Liability Companies: Number of Partnerships and Partners, and Amount of Net Income (Loss), by Income and Loss, Tax Years 2007–2016


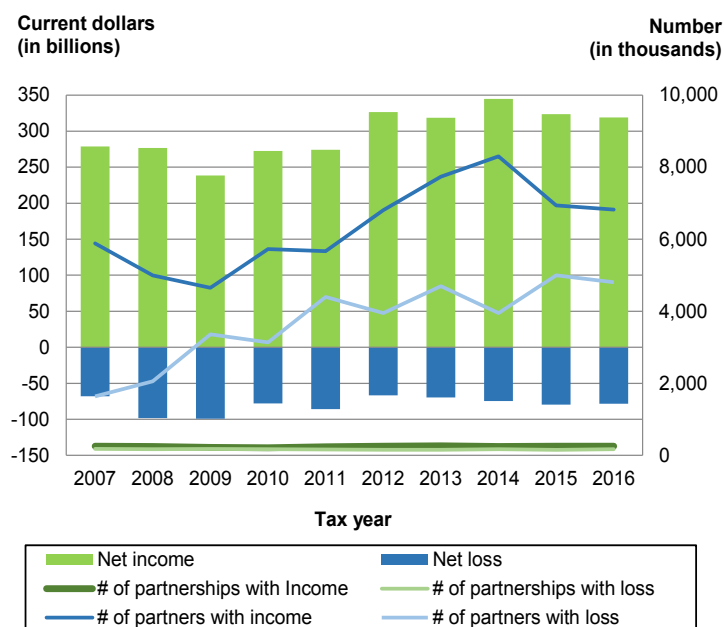
NOTE: For the full tabular data represented in this figure, see Tables 9a, 9b, and 9c.
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

In contrast to LLCs, limited partnerships represented only 11.0 percent of all partnerships, but reported the most profits (30.4 percent), and had the largest share of partners (41.3 percent). Over the last 10 years, the number of limited partnerships has essentially remained constant, while the number of partners associated with those partnerships has risen 54.7 percent (Figure H). The total net income (loss) for limited partnerships decreased \$3 billion (from \$244 billion to \$241 billion) between 2015 and 2016.

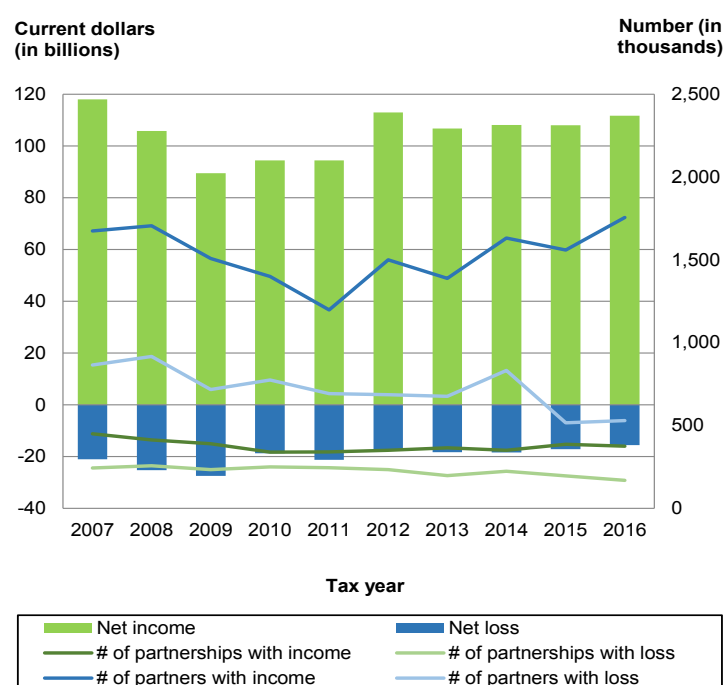
Prior to 2002, domestic general partnerships were consistently the most common type of partnership and have ranked second since that time. This type of partnership accounted for 14.5 percent (0.5 million) of all partnerships for Tax Year 2016. The number of general partnerships declined 6.3 percent in 2016 (from 582,338 to 545,501), which is consistent with past years. The number of domestic general partnerships has declined 21.5 percent overall since 2007. (Figure I).

Partnerships allocated more than \$1.3 trillion to their partners in 2016

Partners may be corporations, individuals, other partnerships, tax-exempt organizations, nominees, and other legal entities. For 2016, all partnerships reported a total of \$1,744.5 billion in total

Figure H
Domestic Limited Partnerships: Number of Partnerships and Partners, and Amount of Net Income (Loss), by Income and Loss, Tax Years 2007–2016


NOTE: For the full tabular data represented in this figure, see Tables 9a, 9b, and 9c.
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

Figure I
Domestic General Partnerships: Number of Partnerships and Partners, and Amount of Net Income (Loss), by Income and Loss, Tax Years 2007–2016


NOTE: For the full tabular data represented in this figure, see Tables 9a, 9b, and 9c.
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

income (loss) available for allocation before deductions (Table 5). For separately stated deductions (such as contributions and interest investment expense), all partnerships reported a total of \$364.7 billion. The difference between total income (loss) and total deductions resulted in \$1,379.8 billion of total income (loss) minus total deductions available for allocation to partners, a 14.2-percent decrease (or \$227.5 billion) relative to 2015. Of the \$1,379.8 billion available for allocation to partners, almost all (99.8 percent or \$1,377.0 billion) was identified by type of partner. The difference between total income (loss) minus total deductions available for allocation and income (loss) allocated to partners was due to some partnerships' failure to report allocations, by type of partner, on their originally filed returns.

For the fifth consecutive year, partnerships surpassed both corporations and individuals as the top income (loss) recipients. Partnerships passed \$432.8 billion through to partners classified as partnerships for 2016, a \$110.1-billion decrease from the \$542.9 billion passed through for 2015. In addition, partnerships passed \$378.6 billion through to partners classified as individuals, and \$340.5 billion through to partners classified as corporations (Figure J).

Since the North American Industry Classification System (NAICS) data were first reported in 1998, partnerships classified in the Finance and insurance sector have generally had the

largest share of allocations, except for 2002. The trend continued for 2016, when this sector reported 52.3 percent of the total amount of allocations of net income to partners, down slightly from 56.8 percent in 2015.

Increases in gross rents drove a rise in net rental real estate income (loss)

For all industries, net rental real estate income (loss) increased 4.8 percent (to \$57.0 billion) between 2015 and 2016 (Figure K). Except for a slight reduction in 2014, gross rents have increased over the last 5 years. While both rental income and expenses rose in 2015, the rise in rents (\$28.5 billion) outpaced the rise in expenditures (\$18.4 billion) and resulted in an overall increase (Table 4). The Real estate and rental and leasing sector reported the largest change in net rental real estate income (loss), increasing \$3.4 billion to \$58.9 billion for 2016.

Partnerships reported billions of dollars in difference between financial and tax reporting

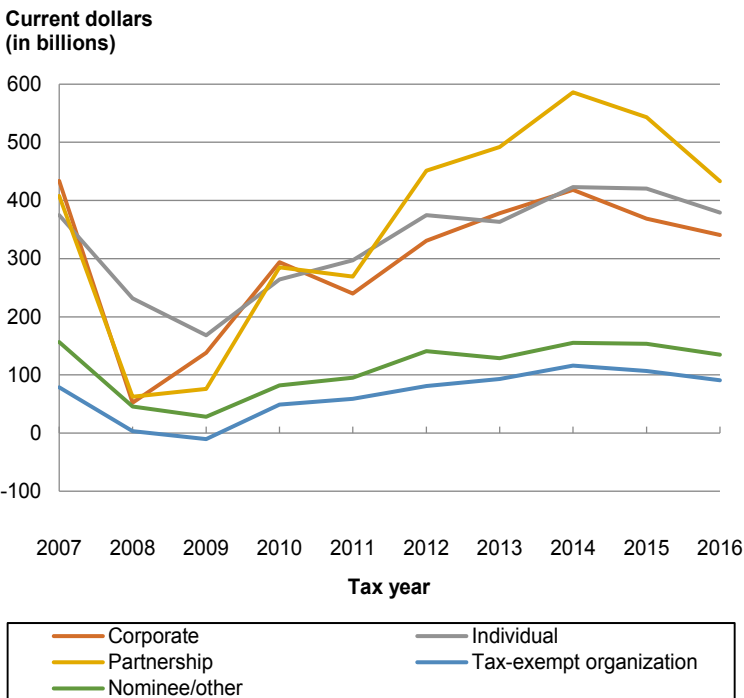
Schedule M-3, *Net Income (Loss) Reconciliation for Certain Partnerships*, provides more detail on the differences between financial accounting net income and tax accounting net income. Differences are divided into two categories: temporary and permanent. Temporary (or timing) differences between book income and taxable income are due to items of revenue or expense that are recognized in different periods for tax and book reporting. Permanent differences are differences that partnerships never reverse; they are either nontaxable book revenues or nondeductible book expenses. For 2016, partnerships that filed a Schedule M-3 reported \$1,372.6 billion in income (loss) per income statement, \$-317.4 billion in temporary differences, \$27.9 billion in permanent differences, and \$1,081.8 billion in income (loss) per tax return.

More than three-quarters of all partnerships filed their tax returns electronically

In 1986, the Internal Revenue Service (IRS) first offered partnerships the option of using electronic media to file their Form 1065 returns. Beginning in Tax Year 2000, the IRS required partnerships with more than 100 partners to file their returns electronically; however, the IRS could waive the electronic filing rules if a partnership demonstrated that a hardship would result from the requirement. For returns with 100 or fewer partners, electronic filing was optional.

Some 3.3 million partnerships filed electronically for 2016, an increase of 4.0 percent from the 3.2 million partnerships that filed returns electronically for 2015. These partnerships represented 26.3 million partners for 2016, a 5.6-percent increase from the 24.9 million partners for 2015. In addition, for 2016, returns filed electronically represented 87.9 percent of all partnerships, 93.3 percent of all partners, 81.3 percent of total assets, and 76.0 percent of total net income (loss), all increases from the previous year.

Figure J
Partnership Returns: Income (Loss) Allocations, by Type of Partner, Tax Years 2007–2016



SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

Figure K

Partnership Returns: Net Rental Real Estate Income (Loss), by Selected Industrial Group, Tax Years 2015 and 2016

[Money amounts are in thousands of dollars]

| Industrial group | 2015 | 2016 | Change | |
|--|-------------------|-------------------|------------------|------------|
| | | | Amount | Percentage |
| | (1) | (2) | (3) | (4) |
| All industries | 54,409,785 | 57,012,446 | 2,602,661 | 4.8 |
| Real estate and rental and leasing | 55,494,259 | 58,893,320 | 3,399,061 | 6.1 |
| Real estate | 55,085,913 | 58,588,475 | 3,502,562 | 6.4 |
| Lessors of residential buildings and dwellings and cooperative housing | -8,057,440 | -9,805,260 | -1,747,820 | -21.7 |
| Lessors of nonresidential buildings (except miniwarehouses) | 62,514,800 | 69,548,304 | 7,033,504 | 11.3 |
| Lessors of miniwarehouses and self-storage units | 3,055,132 | 3,146,074 | 90,942 | 3.0 |
| Lessors of other real estate property | 3,512,940 | 3,212,227 | -300,713 | -8.6 |
| Other real estate activities | -5,939,519 | -7,512,870 | -1,573,351 | -26.5 |

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

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

A slightly larger number of partnerships chose to file Form 1065-B for electing large partnerships for 2016

The IRS introduced Form 1065-B, *U.S. Return of Income for Electing Large Partnerships*, for Tax Year 1998. Unlike regular partnerships that report the distribution of partners' allocated shares of income, gain, loss, deductions, or credits to each partner, electing large partnerships combine most items at the partnership level and only pass the net amounts through to the partners. For 2016, some 70 partnerships filed Form 1065-B, up from 67 filed for 2015. The number of partners decreased slightly (from 12,747 to 12,286) between 2015 and 2016. Despite these decreases, total net income (loss) increased 26.3 percent (from \$284.0 million to \$358.8 million), and total assets rose 14.5 percent (from \$13.1 billion to \$15 billion) for the year.

Data Sources and Limitations

SOI based the statistics for Tax Year 2016 on a stratified probability sample of 39,434 returns selected from a population of 4,038,300 partnerships. Tax Year 2016 covers returns processed by the IRS during Calendar Year 2017. All partnerships engaged in business in, or having income from sources within, the United States were required to file either Form 1065, *U.S. Partnership Return of Income*, or Form 1065-B, *U.S. Return of Income for Electing Large Partnerships*, to report income or loss, deductions, tax credits, and other tax-related items generated by the partnership. The statistics are only for active partnerships, defined as those reporting any items of income or deduction derived from a trade or business, or from rental or portfolio income.

SOI stratified the population into classes based on industry, type of return, size of total assets, and size of certain receipt or income amounts from both ordinary business income (loss) and portfolio income (loss). From these classes, SOI selected returns at various probabilities (from 0.01 percent to 100 percent) and weighted them to represent the total population. SOI ruled that 513 sampled returns were either out of scope (due to inactivity

or being duplications of other returns in the sample) or unavailable in time to meet the publication deadline. This resulted in a final sample of 38,921 returns and an estimated overall active population of 3,763,117.

Because the data presented in this article are based on a sample of returns, they are subject to sampling error. To use the data properly, the magnitude of the potential sampling error needs to be known. Coefficients of variation (CVs), the ratio of an estimate's standard error to the estimate, are used to measure this magnitude. Figure L presents the coefficients of variation for certain money amounts, for selected industrial sectors. The estimate is judged more reliable the smaller the coefficient of variation.

Notes for Data Tables

All money amounts and frequencies in the data tables were subject to rounding errors. As a result, a row or column of frequencies or amounts may fail to add exactly to the corresponding total amount. At the table level, SOI rounded money amounts to the nearest \$1,000, and amounts of \$500 or more to the next highest thousand. Total amounts between +\$500 and -\$500 were footnoted to indicate an amount that rounded to zero was present.

Whenever a cell frequency was low, SOI either combined or deleted the estimate to avoid disclosing information about specific partnerships. These cells are identified with a "[d]." In addition, an estimate based on fewer than 10 returns, not selected at the 100-percent rate, is indicated by an asterisk (*) and 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 was determined separately from all other cells. Thus, it was possible for a total figure to be marked with an asterisk (*), indicating statistical unreliability, while a subset of the total is not so marked. For example, a sector amount could be based on 7 returns, 3 not sampled at the 100-percent rate. The amount

Figure L
Partnership Returns: Coefficients of Variation for Selected Items
by Industrial Sector, Tax Year 2016

[Coefficients of variation in percentages]

| Industrial sector | Coefficients of variation | | | |
|--|---------------------------|--------------|--------------|------------------|
| | Number of partnerships | Total assets | Total income | Total deductions |
| | (1) | (2) | (3) | (4) |
| All industries | 0.90 | 0.13 | 0.23 | 0.24 |
| Agriculture, forestry, fishing, and hunting | 12.11 | 5.54 | 5.13 | 4.79 |
| Mining | 25.02 | 1.61 | 1.74 | 1.84 |
| Utilities | 31.88 | 1.70 | 1.04 | 1.06 |
| Construction | 10.54 | 4.33 | 1.85 | 1.84 |
| Manufacturing | 17.14 | 0.73 | 0.62 | 0.64 |
| Wholesale trade | 15.94 | 1.36 | 0.89 | 0.90 |
| Retail trade | 11.74 | 1.75 | 1.21 | 1.20 |
| Transportation and warehousing | 18.46 | 0.77 | 1.93 | 1.96 |
| Information | 14.04 | 0.68 | 0.81 | 0.88 |
| Finance and insurance | 6.68 | 0.26 | 1.41 | 1.49 |
| Real estate and rental and leasing | 1.84 | 0.62 | 2.45 | 2.55 |
| Professional, scientific, and technical services | 9.46 | 2.61 | 1.35 | 1.46 |
| Management of companies | 23.84 | 1.43 | 3.76 | 4.43 |
| Administrative and support and waste management and remediation services | 17.71 | 4.54 | 3.27 | 3.26 |
| Educational services | 30.52 | 16.93 | 14.74 | 14.83 |
| Health care and social assistance | 6.36 | 2.10 | 1.50 | 1.58 |
| Arts, entertainment, and recreation | 20.03 | 3.33 | 3.36 | 3.51 |
| Accommodation and food services | 10.47 | 3.46 | 2.51 | 2.48 |
| Other services | 16.53 | 9.95 | 6.66 | 6.64 |
| Nature of business not allocable* | 0.00 | 0.00 | 0.00 | 0.00 |

| Item [1] | Coefficients of variation—continued | |
|---|-------------------------------------|--|
| | All industries | |
| | (5) | |
| Number of partnerships | 0.90 | |
| Number of partners | 2.13 | |
| Total assets | 0.13 | |
| Total income | 0.23 | |
| Business receipts | 0.80 | |
| Total deductions | 0.24 | |
| Cost of goods sold | 0.32 | |
| Interest paid | 0.91 | |
| Taxes and licenses | 0.70 | |
| Depreciation | 0.91 | |
| Ordinary business income | 0.67 | |
| Ordinary business loss | 1.40 | |
| Interest income | 0.98 | |
| Portfolio income (loss) distributed directly to partners | 0.73 | |
| Net rental real estate income | 1.95 | |
| Net rental real estate loss | 2.91 | |
| Other net rental income | 7.32 | |
| Other net rental loss | 9.29 | |
| Total net income (loss) | 1.09 | |
| Total income (loss) minus total deductions available for allocation | 1.23 | |
| Total receipts | 0.25 | |

*For 2015, there were no returns classified as Nature of business not allocable.

[1] All items in this figure can be found in Table 1 except for: Total income (loss) minus total deductions available for allocation (Table 5); and Total receipts (Table 7).

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

would receive an asterisk. However, an industry amount, within the sector, may include all 9 returns sampled at the 100-percent rate and would not receive an asterisk.

The IRS issued requirements for safeguarding Federal Tax Information (FTI) in Publication 1075, *Tax Information Security Guidelines for Federal, State and Local Agencies*. While FTI is subject to Internal Revenue Code section 6103(p)(4) safeguarding requirements, the increased availability of data on the internet and in the cloud, creates greater challenges for government agencies responsible for protecting the confidentiality of, and preventing the commingling of, Federal Tax Information with other information. This article provides data tables that meet the requirements, with the understanding that periodic reviews could lead to further adjustments of content in future editions

Explanation of Selected Terms

Assets and liabilities—A partnership was required to provide balance sheet information, in general, only if it had total receipts of \$250,000 or more, total assets of \$1,000,000 or more, and was not required to file Schedule M-3. For partnerships with accounting periods ending before 2008, the total asset requirement was \$600,000. SOI did not estimate the assets and liabilities of partnerships that did not provide this information. If a partnership provided balance sheet data in a format of its own, instead of that provided on the return form, an effort was made during data collection to associate the amounts provided with the items on the partnership balance sheet. In addition, for returns with accounting periods ending after December 31, 2005, total assets should have been determined without offset by liabilities and not reported as a negative amount. If, however, the partnership continued to report negative total assets, no effort was made during data collection to change the amount.

Business receipts—Business receipts represent the gross receipts or sales less returns and allowances from trade or business income. Business receipts were the largest component of gross receipts for industry groups such as Manufacturing. SOI did not adjust business receipts to include rental real estate activity, which was reported separately on the partnership's return.

Electing large partnerships—Partnerships with 100 or more partners in the preceding year could elect to file Form 1065-B, *U.S. Return of Income for Electing Large Partnerships*, in lieu of the more general Form 1065. Unlike a regular partnership reporting its allocated share of income, gain, loss, deductions, or credits to each partner, an electing large partnership combines most items at the partnership level and passes through net amounts to partners.

Electronically filed (ELF) partnerships—Certain partnerships with more than 100 partners were required to file their returns electronically. Other partnerships could volunteer to file electronically. Partnerships submitting ELF returns electronically did so in lieu of paper returns.

Foreign partnerships—A foreign partnership that has gross income effectively connected with the conduct of a trade or business within the United States or has gross income derived from sources in the United States must file a Form 1065, even if

its principal place of business was outside the United States or all its partners were foreign persons.

Limited liability companies (domestic)—A limited liability company (LLC) is an entity formed under State law by filing articles of organization as an LLC. Limited liability companies that choose to be classified as partnerships file Form 1065, *U.S. Partnership Return of Income*. SOI identified LLCs by their response to a question on Form 1065, Schedule B, *Other Information*. Limited liability companies combine the corporate characteristics of limited liability for all members with the passthrough income treatment of a partnership. (The owners of an LLC are called members, not partners.) These businesses offer more organizational flexibility than S corporations. (S corporations pass through their income, gains and losses, deductions, and credits to their shareholders for tax purposes, like partnerships.) For example, unlike S corporations, LLCs are not limited in the number and type of owners. Unlike partners in limited partnerships, all members of LLCs have limited liability protection, even if they actively participate in the management of the business. In some cases, LLCs file as sole proprietorships on individual income tax returns or as corporations on corporation income tax returns. LLC data reported on these returns were not included in this article.

Limited liability partnerships (domestic)—A limited liability partnership (LLP) is formed under a State limited liability partnership law. Limited liability partnerships file Form 1065, *U.S. Partnership Return of Income*. SOI identified LLPs by their response to a question on Form 1065, Schedule B, *Other Information*. Organizationally, LLPs are available in some States only for professional partnerships, such as law firms or accounting firms. A partner in an LLP receives liability protection from the actions of other partners, but is liable for the partnership debts as well as the consequences of his or her own actions.

Nonrecourse loans—Nonrecourse loans are those partnership liabilities for which no partner bears the economic risk of loss.

North American Industry Classification System—Starting with the 1998 partnership study, SOI classified data using the North American Industry Classification System (NAICS), which replaced the Standard Industry Classification system (SIC). NAICS is a hierarchical system that classifies businesses, including partnerships, into sectors, subsectors, industry groups, and industries. Although the complete NAICS uses 20 sectors, SOI grouped the partnership data into 20 industrial divisions in Tax Year 1998 through Tax Year 2001 *SOI Bulletin* articles for presentation purposes and easier comparison between NAICS and SIC data. SOI dropped the industrial division for the Tax Year 2002 article and grouped the partnership data into the same 20 industrial sectors used in NAICS, except for: 1) excluding public administration, and 2) adding nature of business not allocable. Businesses are only classified in the nature of business not

allocable sector when a more specific activity cannot be identified from the return. SOI classified data within these industrial sectors in industrial groups. The most detailed classification in this article and related data tables is the “industry.” The 20 sectors used in this article are:

- Agriculture, forestry, fishing, and hunting;
- Mining;
- Utilities;
- Construction;
- Manufacturing;
- Wholesale trade;
- Retail trade;
- Transportation and warehousing;
- Information;
- Finance and insurance;
- Real estate and rental and leasing;
- Professional, scientific, and technical services;
- Management of companies (holding companies);
- Administrative and support and waste management and remediation services;
- Educational services;
- Health care and social assistance;
- Arts, entertainment, and recreation;
- Accommodation and food services;
- Other services; and
- Nature of business not allocable.

In addition, in 2002, 2007, and 2012, NAICS updated its classification system. In 2002, the new version included a revised structure for both the Construction and Information sectors and additional detail for the Retail trade sector. NAICS updated the information sector again in 2007, along with one financial industry. In 2012, changes occurred in the following sectors: Manufacturing; Wholesale trade; Retail trade; Real estate and rental and leasing; and Accommodation and food services. The North American Industry Classification System publication contains appendices comparing the 2002, 2007, and 2012 NAICS United States structures to the 1997 NAICS United States structure.⁷

SOI determined a partnership industry based on the activity from which the business derived the largest percentage of its total receipts. For industry coding purposes only, SOI defined total receipts as the sum of:

- gross receipts or sales less returns and allowances (i.e., business receipts in the statistics);
- ordinary income from other partnerships, estates, and trusts;

⁷ For further information about the North American Industry Classification System, including background, formats, and detailed descriptions of the activities included in each classification, see *North American Industry Classification System*, United States, Executive Office of the President, Office of Management and Budget (<http://www.census.gov/eos/www/naics/>).

- net farm profit;
- net gain from Form 4797;
- other income (Form 1065, page 1, line 7);
- other gross rental income;
- interest income;
- dividend income;
- royalties;
- net short-term capital gain;
- net long-term capital gain;
- net section 1231 gain;
- other income (Form 1065, page 4, line 11);
- gross rents from rental real estate;
- net gain from the disposition of property from rental real estate activities; and
- net income from rental real estate activities from partnerships, estates, and trusts in which the partnership is a partner or beneficiary.

Total receipts for partnership industry coding purposes differs from total receipts used elsewhere in this article (see “Total receipts” in this section).

Partner—Partners can be individuals, corporations, other partnerships, or any other legal entity. One partner may be part of multiple partnerships. Partners are classified as either general or limited. General partners are those who assume liability for the partnership’s debts and losses. Limited partners are those whose liability in the partnership is limited to their investment. A partnership must have at least two partners, at least one of which must be a general partner. A general partnership is composed entirely of general partners. A limited partnership has at least one general partner and one or more limited partners.

Partnership—A partnership is the relationship between two or more persons who join to carry on a trade or business. Each person contributes money, property, labor, or skill with the expectation of sharing in the profits and losses of the business, regardless of whether a formal partnership agreement was made. Every partnership that engages in a trade or business or has income from sources in the United States must file an annual information return with the Internal Revenue Service, either Form 1065, *U.S. Partnership Return of Income*, or Form 1065-B, *U.S. Return of Income for Electing Large Partnerships*, showing the partnership’s income or loss for the year. A partnership must file this return even if its principal place of business is outside the United States and even if all its members are nonresident aliens.

Total net income (loss)—Through Tax Year 1986, partnerships reported the amounts for total net income (loss) as ordinary income (loss) on Form 1065. After the tax law changes and tax form revisions in 1987, Statistics of Income studies began computing a similar total figure as the sum of the following:

- ordinary business income (loss);
- interest income;

- dividend income;
- royalties;
- net rental real estate income (loss) from Form 8825; and
- other net rental income (loss).

The sum of these components is a measure of overall partnership profit or loss, which allows for comparisons with total net income (loss), reported for years before 1987. The profit status of a partnership is determined based on the sum of these six amounts. Partnerships where the sum of these six amounts equals zero are included with loss partnerships. For 2004, the definition of total net income (loss) was revised because other portfolio income (loss) was excluded since it was no longer reported separately on Schedule K, but was included on Schedule K, Line 11, “Other income (loss).” This resulted in the 2004 total net income (loss) being understated by that amount when compared to years prior to 2004. However, this understatement was small since, for 2003, other portfolio income (loss) for all partnerships was only \$3.1 billion or 1 percent of the \$301.4 billion reported for total net income (loss).

Total receipts—Total receipts is computed for the statistics to reflect similar computations published in other Statistics of Income (SOI) studies. It is the sum of positive income received by partnerships for the specific items listed below (*note that negative amounts or losses are included in the statistics as deduction items*):

- gross receipts or sales less returns and allowances (i.e., business receipts in the statistics);
- ordinary income from other partnerships, estates and trusts;
- net farm profit;
- net gain from Form 4797;
- other income (Form 1065, page 1, line 7);
- net rental real estate income;
- other net rental income;
- interest income;
- dividend income;
- royalties;
- net short-term capital gain;
- net long-term capital gain;
- net section 1231 gain; and
- other income (Form 1065, page 4, line 11).

Total receipts in Table 7 differ from total receipts presented in Table 11 in the Selected Historical and Projected Data accessible online at <http://www.irs.gov/uac/SOI-Tax-Stats-Historical-Table-11>. Table 11 excludes certain income items allocated directly to partners (such as net short-term and long-term capital gains, net gain under Internal Revenue Code section 1231, and other income (Schedule K, Line 11)).

Additional Tabular Data on Tax Stats Website

For additional partnership tabular data, see the Partnership section on IRS's Tax Stats Website at www.irs.gov/statistics/soi-tax-stats-partnership-statistics. This site contains tabular data including partnership returns by size of total assets, returns with foreign transactions, and data for prior years.

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Table 1. All Partnerships: Total Assets, Trade or Business Income and Deductions, Portfolio Income, Rental Income, and Total Net Income (Loss), by Industrial Groups, Tax Year 2016

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

| Item | All industries | Agriculture, forestry, fishing, and hunting | Mining | Utilities | Construction | Manufacturing |
|---|-----------------------|---|--------------------|--------------------|--------------------|--------------------|
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Number of partnerships | 3,763,117 | 136,664 | 41,670 | 5,681 | 169,887 | 71,201 |
| Number of partners | 28,163,819 | 460,571 | 2,233,049 | 76,971 | 550,182 | 870,241 |
| Total assets | 28,950,043,266 | 253,783,163 | 563,148,057 | 443,437,021 | 256,783,338 | 899,687,492 |
| Income and deductions from a trade or business: | | | | | | |
| Total income | 5,336,204,494 | 46,783,818 | 134,565,141 | 166,444,110 | 329,225,799 | 872,170,344 |
| Business receipts | 4,918,666,446 | 35,086,969 | 115,723,970 | 159,106,513 | 322,358,650 | 851,254,059 |
| Ordinary income from other partnerships and fiduciaries | 146,568,309 | 1,341,910 | 3,992,023 | 4,343,991 | 2,064,053 | 4,457,208 |
| Net gain, noncapital assets | 29,404,062 | 1,022,342 | [d] | [d] | 637,718 | 1,323,264 |
| Other income [1] | 241,565,677 | 9,332,597 | [d] | [d] | 4,165,377 | 15,135,813 |
| Total deductions | 4,981,480,470 | 48,411,886 | 129,064,110 | 181,694,185 | 311,953,317 | 835,179,942 |
| Cost of goods sold | 2,660,228,603 | 23,578,961 | 50,077,095 | 128,340,738 | 260,357,209 | 664,837,523 |
| Inventory, beginning of year | 299,870,537 | 3,868,450 | 4,401,209 | 4,149,468 | 35,920,641 | 82,595,379 |
| Purchases | 1,852,866,663 | 16,512,357 | 8,213,072 | 100,011,289 | 73,929,265 | 506,100,020 |
| Cost of labor | 157,223,744 | 1,519,442 | 4,299,599 | 549,494 | 28,393,246 | 37,321,035 |
| Additional inventory costs (section 263A) | 14,587,234 | 565,628 | 148,820 | 26,494 | 2,964,730 | 2,303,210 |
| Other costs | 659,888,290 | 6,223,875 | 36,865,709 | 30,474,236 | 156,927,397 | 123,205,663 |
| Less: Inventory, end of year | 324,207,866 | 5,110,791 | 3,851,314 | 6,870,243 | 37,778,070 | 86,687,783 |
| Salaries and wages | 606,596,550 | 2,758,679 | 5,538,142 | 1,683,427 | 14,228,653 | 37,481,348 |
| Guaranteed payments to partners | 70,245,218 | 1,650,444 | 307,764 | 164,055 | 2,580,677 | 2,752,238 |
| Rent paid | 103,980,661 | 552,976 | 776,982 | 1,189,330 | 1,547,147 | 4,899,212 |
| Interest paid | 96,809,736 | 599,814 | 7,646,159 | 6,039,995 | 1,865,253 | 8,891,678 |
| Taxes and licenses | 89,132,302 | 555,384 | 3,248,902 | 1,813,609 | 2,182,700 | 12,370,866 |
| Bad debts | 19,099,278 | 20,573 | 247,053 | 84,141 | 170,226 | 481,939 |
| Repairs and maintenance | 34,121,685 | 683,559 | 822,138 | 1,893,802 | 832,922 | 3,834,352 |
| Depreciation | 187,450,186 | 1,356,374 | 18,213,067 | 21,621,763 | 2,901,164 | 12,737,058 |
| Retirement plans, etc. | 14,934,684 | 34,669 | 76,885 | [d] | 331,743 | 2,039,182 |
| Employee benefit programs | 45,534,595 | 187,807 | 564,019 | 190,219 | 958,693 | 6,469,269 |
| Ordinary loss from other partnerships and fiduciaries | 81,516,396 | 726,090 | 3,433,203 | 4,167,572 | 392,695 | 2,110,047 |
| Net loss, noncapital assets | 5,514,782 | 73,800 | 978,018 | 15,685 | [d] | 183,085 |
| Other deductions [2] | 966,315,795 | 15,632,755 | 37,134,684 | [d] | [d] | 76,092,146 |
| Ordinary business income (loss) | 354,724,024 | -1,628,068 | 5,501,031 | -15,250,076 | 17,272,482 | 36,990,403 |
| Net income | 665,512,286 | 9,874,523 | 28,175,286 | 8,806,656 | 24,340,887 | 62,876,702 |
| Loss | 310,788,263 | 11,502,591 | 22,674,255 | 24,056,732 | 7,068,405 | 25,886,299 |
| Portfolio income (loss) distributed directly to partners | 850,020,729 | 3,115,870 | 7,279,885 | 676,789 | 1,419,937 | 30,422,353 |
| Interest income | 181,106,456 | 638,627 | 722,436 | 329,153 | 413,308 | 4,551,564 |
| Dividend income | 166,780,363 | 718,366 | 331,345 | 142,992 | 29,790 | 13,509,307 |
| Royalties | 27,998,219 | 279,430 | 2,881,811 | 1,482 | 5,395 | 7,650,457 |
| Net short-term capital gain (loss) | 17,331,887 | -43,092 | 675,939 | 12,566 | -22,123 | 110,268 |
| Net long-term capital gain (loss) | 456,803,804 | 1,522,538 | 2,668,355 | 190,597 | 993,568 | 4,600,757 |
| Net rental real estate income (loss) | 57,012,446 | 843,576 | 58,056 | 2,165 | 109,858 | 64,707 |
| Net income | 162,916,110 | 899,740 | 158,861 | [d] | 704,757 | 75,063 |
| Loss | 105,903,665 | 56,164 | 100,805 | [d] | 594,899 | 10,356 |
| Other net rental income (loss) | 4,082,134 | 109,004 | 300,792 | -1,072,799 | -2,512 | 393,111 |
| Total net income (loss) [3] | 791,703,641 | 960,935 | 9,795,470 | -15,847,084 | 17,828,319 | 63,159,547 |
| Net income | 1,173,305,066 | 11,703,633 | 31,810,903 | 8,963,269 | 25,046,980 | 84,993,176 |
| Loss | 381,601,426 | 10,742,699 | 22,015,433 | 24,810,353 | 7,218,661 | 21,833,628 |

Footnotes at end of table.

Table 1. All Partnerships: Total Assets, Trade or Business Income and Deductions, Portfolio Income, Rental Income, and Total Net Income (Loss), by Industrial Groups, Tax Year 2016—Continued

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

| Item | Wholesale trade | Retail trade | Transportation and warehousing | Information | Finance and insurance | Real estate and rental and leasing | Professional, scientific, and technical services |
|---|--------------------|--------------------|--------------------------------|--------------------|-----------------------|------------------------------------|--|
| | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Number of partnerships | 70,145 | 175,034 | 41,533 | 43,659 | 379,300 | 1,877,734 | 241,030 |
| Number of partners | 721,889 | 816,043 | 2,489,276 | 177,481 | 7,403,812 | 8,366,525 | 839,758 |
| Total assets | 343,039,521 | 223,551,474 | 791,594,193 | 974,975,659 | 15,638,617,618 | 6,571,438,695 | 336,801,255 |
| Income and deductions from a trade or business: | | | | | | | |
| Total income | 631,839,382 | 556,735,528 | 213,401,615 | 397,763,291 | 407,405,214 | 222,288,194 | 503,244,986 |
| Business receipts | 624,463,892 | 542,044,168 | 200,953,131 | 371,352,717 | 243,396,159 | 183,014,213 | 486,819,443 |
| Ordinary income from other partnerships and fiduciaries | 1,785,311 | 1,126,196 | 4,047,515 | 18,975,759 | 55,540,642 | 17,324,605 | 6,838,865 |
| Net gain, noncapital assets | [d] | 358,767 | [d] | 715,178 | 7,275,152 | 5,049,626 | 454,044 |
| Other income [1] | [d] | 13,206,397 | [d] | 6,719,637 | 101,193,261 | 16,899,750 | 9,132,634 |
| Total deductions | 617,339,602 | 547,111,552 | 207,003,531 | 341,582,395 | 342,584,378 | 210,015,573 | 407,370,450 |
| Cost of goods sold | 520,915,396 | 425,570,133 | 94,571,822 | 89,654,458 | 61,551,232 | 85,214,841 | 88,541,384 |
| Inventory, beginning of year | 53,026,521 | 65,143,335 | 4,319,674 | 6,494,399 | 3,994,347 | 27,079,167 | 1,950,333 |
| Purchases | 461,028,683 | 404,565,670 | 55,747,458 | 40,564,813 | 44,371,274 | 37,195,293 | 28,679,604 |
| Cost of labor | 5,240,770 | 4,844,800 | 5,278,583 | 1,454,442 | 956,898 | 3,450,992 | 20,148,481 |
| Additional inventory costs (section 263A) | 1,867,638 | 1,034,939 | 533,029 | 439,130 | 138,546 | 3,247,415 | 474,291 |
| Other costs | 59,204,592 | 19,242,562 | 33,841,063 | 45,765,879 | 17,306,516 | 44,031,403 | 39,315,252 |
| Less: Inventory, end of year | 59,452,809 | 69,261,172 | 5,147,985 | 5,064,206 | 5,216,349 | 29,789,430 | 2,026,578 |
| Salaries and wages | 28,860,865 | 41,172,296 | 13,539,217 | 31,185,615 | 78,672,126 | 22,415,537 | 129,170,163 |
| Guaranteed payments to partners | 2,359,610 | 2,292,874 | 799,501 | 2,378,314 | 12,783,003 | 2,529,447 | 25,084,509 |
| Rent paid | 4,422,715 | 11,106,839 | 3,572,982 | 11,279,116 | 6,229,647 | 4,370,307 | 16,807,702 |
| Interest paid | 4,932,796 | 3,462,604 | 8,565,575 | 11,228,714 | 14,321,367 | 7,316,308 | 3,172,287 |
| Taxes and licenses | 3,277,567 | 5,692,564 | 4,031,057 | 4,776,079 | 4,843,434 | 3,402,889 | 11,244,512 |
| Bad debts | 615,421 | 754,319 | 98,435 | 3,066,718 | 4,388,391 | 1,503,348 | 541,983 |
| Repairs and maintenance | 1,461,970 | 2,314,027 | 3,997,176 | 2,996,154 | 826,684 | 2,016,415 | 1,723,113 |
| Depreciation | 6,221,004 | 5,537,486 | 34,902,462 | 24,880,289 | 6,184,246 | 19,029,180 | 4,697,199 |
| Retirement plans, etc. | 681,096 | 785,076 | [d] | 1,061,193 | 1,377,552 | 241,283 | 5,278,905 |
| Employee benefit programs | 2,640,427 | 3,034,013 | 1,535,003 | 3,987,655 | 3,870,023 | 1,340,683 | 7,942,579 |
| Ordinary loss from other partnerships and fiduciaries | 414,594 | 437,966 | 1,822,709 | 1,523,454 | 37,756,117 | 12,225,504 | 1,610,505 |
| Net loss, noncapital assets | [d] | [d] | 296,605 | 405,197 | 1,205,521 | 950,521 | [d] |
| Other deductions [2] | [d] | [d] | [d] | 153,159,440 | 108,575,036 | 47,459,310 | [d] |
| Ordinary business income (loss) | 14,499,780 | 9,623,976 | 6,398,084 | 56,180,896 | 64,820,835 | 12,272,621 | 95,874,536 |
| Net income | 23,775,557 | 16,947,707 | 21,130,502 | 73,595,392 | 131,439,400 | 48,752,689 | 110,382,776 |
| Loss | 9,275,778 | 7,323,731 | 14,732,417 | 17,414,496 | 66,618,565 | 36,480,068 | 14,508,240 |
| Portfolio income (loss) distributed directly to partners | 3,110,420 | 1,810,012 | 2,889,885 | 9,732,962 | 657,256,181 | 69,952,271 | 6,700,149 |
| Interest income | 580,800 | 343,605 | 569,746 | 4,866,537 | 145,576,569 | 14,607,963 | 967,563 |
| Dividend income | 630,403 | 191,536 | 508,256 | 718,269 | 126,568,454 | 11,465,401 | 662,181 |
| Royalties | 98,745 | 29,339 | 38,860 | 1,609,034 | 6,987,097 | 5,826,404 | 595,047 |
| Net short-term capital gain (loss) | 7,020 | -2,383 | -807 | -412,667 | 15,283,515 | -64,149 | 190,294 |
| Net long-term capital gain (loss) | 1,793,452 | 1,247,915 | 1,773,830 | 2,951,788 | 362,840,547 | 38,116,652 | 4,285,064 |
| Net rental real estate income (loss) | 27,965 | 282,439 | 313,693 | -43,388 | -3,736,242 | 58,893,320 | -116,958 |
| Net income | 126,405 | 335,025 | 336,941 | 47,678 | 4,074,751 | 154,143,710 | 157,386 |
| Loss | 98,440 | 52,586 | 23,249 | 91,066 | 7,810,993 | 95,250,391 | 274,344 |
| Other net rental income (loss) | 65,147 | -83,996 | -45,835 | 599,828 | 931,304 | 2,955,259 | -231,318 |
| Total net income (loss) [3] | 15,902,840 | 10,386,900 | 7,782,804 | 63,931,176 | 341,148,016 | 106,020,967 | 97,751,051 |
| Net income | 25,003,506 | 17,600,264 | 21,873,241 | 79,527,630 | 401,216,725 | 228,918,930 | 112,416,262 |
| Loss | 9,100,666 | 7,213,364 | 14,090,437 | 15,596,453 | 60,068,709 | 122,897,963 | 14,665,210 |

Footnotes at end of table.

Table 1. All Partnerships: Total Assets, Trade or Business Income and Deductions, Portfolio Income, Rental Income, and Total Net Income (Loss), by Industrial Groups, Tax Year 2016—Continued

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

| Item | Management of companies (holding companies) | Administrative and support and waste management and remediation services | Health care and social assistance | Arts, entertainment, and recreation | Accommodation and food services | Educational and other services [4] | Nature of business not allocable |
|---|---|--|-----------------------------------|-------------------------------------|---------------------------------|------------------------------------|----------------------------------|
| | (14) | (15) | (16) | (17) | (18) | (19) | (20) |
| Number of partnerships | 28,730 | 60,570 | 82,907 | 47,927 | 157,820 | 131,625 | 0 |
| Number of partners | 1,378,134 | 157,177 | 374,186 | 246,527 | 572,092 | 429,905 | 0 |
| Total assets | 855,951,198 | 106,296,602 | 202,004,574 | 152,201,179 | 297,400,059 | 39,332,167 | 0 |
| Income and deductions from a trade or business: | | | | | | | |
| Total income | 43,927,258 | 126,569,944 | 313,270,142 | 90,505,374 | 233,617,850 | 46,446,504 | 0 |
| Business receipts | 21,958,110 | 116,710,857 | 293,430,889 | 78,871,040 | 227,118,942 | 45,002,723 | 0 |
| Ordinary income from other partnerships and fiduciaries | 15,195,507 | 943,455 | 3,227,393 | 3,124,686 | 1,973,913 | 265,279 | 0 |
| Net gain, noncapital assets | 627,419 | [d] | 296,842 | 116,635 | 890,737 | 73,580 | 0 |
| Other income [1] | 6,146,223 | [d] | 16,315,017 | 8,393,012 | 3,634,258 | 1,104,922 | 0 |
| Total deductions | 40,059,621 | 121,537,642 | 278,803,471 | 88,249,086 | 228,381,881 | 45,137,848 | 0 |
| Cost of goods sold | 9,350,069 | 46,111,889 | 16,594,464 | 12,717,785 | 67,495,069 | 14,748,537 | 0 |
| Inventory, beginning of year | 1,167,827 | 511,257 | 340,361 | 762,965 | 3,049,315 | 1,095,890 | 0 |
| Purchases | 4,488,357 | 7,613,885 | 4,656,054 | 3,934,657 | 46,958,914 | 8,296,000 | 0 |
| Cost of labor | 1,351,425 | 21,758,456 | 4,523,054 | 1,400,982 | 11,590,551 | 3,141,494 | 0 |
| Additional inventory costs (section 263A) | 304,844 | 120,940 | 115,305 | 12,348 | 248,402 | 41,522 | 0 |
| Other costs | 3,467,258 | 16,654,659 | 7,329,822 | 7,777,281 | 8,826,013 | 3,429,109 | 0 |
| Less: Inventory, end of year | 1,429,642 | 547,307 | 370,132 | 1,170,448 | 3,178,127 | 1,255,479 | 0 |
| Salaries and wages | 5,225,752 | 33,771,605 | 84,523,930 | 23,518,023 | 43,433,797 | 9,417,375 | 0 |
| Guaranteed payments to partners | 1,792,942 | 1,210,473 | 8,776,660 | 992,874 | 1,005,224 | 784,609 | 0 |
| Rent paid | 484,459 | 2,006,968 | 14,402,796 | 3,409,222 | 13,843,838 | 3,078,423 | 0 |
| Interest paid | 2,419,926 | 1,580,590 | 3,320,156 | 2,804,226 | 7,829,465 | 812,823 | 0 |
| Taxes and licenses | 588,283 | 3,179,708 | 10,977,640 | 5,019,471 | 10,556,858 | 1,370,780 | 0 |
| Bad debts | 412,173 | 392,174 | 6,003,304 | 102,517 | 100,184 | 116,375 | 0 |
| Repairs and maintenance | 158,442 | 574,056 | 3,378,912 | 1,187,284 | 4,856,520 | 564,159 | 0 |
| Depreciation | 744,229 | 1,668,563 | 6,739,398 | 4,746,388 | 13,522,107 | 1,748,210 | 0 |
| Retirement plans, etc. | [d] | 441,715 | [d] | 518,678 | 142,856 | 64,178 | 0 |
| Employee benefit programs | 285,866 | 1,656,448 | 6,974,562 | 1,072,091 | 2,445,315 | 379,924 | 0 |
| Ordinary loss from other partnerships and fiduciaries | 9,715,557 | 540,086 | 1,341,056 | 854,626 | 2,054,730 | 389,886 | 0 |
| Net loss, noncapital assets | [d] | [d] | 159,975 | [d] | [d] | 24,287 | 0 |
| Other deductions [2] | [d] | [d] | [d] | [d] | [d] | 11,638,282 | 0 |
| Ordinary business income (loss) | 3,867,637 | 5,032,303 | 34,466,671 | 2,256,288 | 5,235,969 | 1,308,656 | 0 |
| Net income | 18,093,845 | 9,916,564 | 43,628,104 | 10,985,574 | 18,230,434 | 4,559,688 | 0 |
| Loss | 14,226,209 | 4,884,261 | 9,161,434 | 8,729,286 | 12,994,466 | 3,251,031 | 0 |
| Portfolio income (loss) distributed directly to partners | 43,918,271 | 1,601,441 | 2,420,904 | 4,583,638 | 2,590,139 | 539,623 | 0 |
| Interest income | 5,374,631 | 349,324 | 576,178 | 214,321 | 364,203 | 59,929 | 0 |
| Dividend income | 10,483,915 | [d] | [d] | 280,994 | [d] | [d] | 0 |
| Royalties | 1,226,839 | [d] | [d] | 186,889 | [d] | [d] | 0 |
| Net short-term capital gain (loss) | 1,561,355 | [d] | [d] | 5,363 | 34,962 | -2,188 | 0 |
| Net long-term capital gain (loss) | 25,271,532 | 809,745 | 1,807,637 | 3,896,070 | 1,781,585 | 252,171 | 0 |
| Net rental real estate income (loss) | 1,728 | 67,235 | 68,535 | 13,503 | 109,869 | 52,387 | 0 |
| Net income | 1,014,683 | 69,117 | 253,301 | 61,642 | 395,431 | [d] | 0 |
| Loss | 1,012,955 | 1,882 | 184,766 | 48,139 | 285,562 | [d] | 0 |
| Other net rental income (loss) | -27,724 | -264 | 104,188 | 15,221 | 3,661 | 69,067 | 0 |
| Total net income (loss) [3] | 20,927,026 | 5,895,670 | 35,249,946 | 2,967,217 | 6,123,090 | 1,719,751 | 0 |
| Net income | 34,025,050 | 10,535,752 | 44,372,724 | 11,427,913 | 18,941,313 | 4,927,798 | 0 |
| Loss | 13,098,024 | 4,640,082 | 9,122,778 | 8,460,696 | 12,818,223 | 3,208,047 | 0 |

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

[d] In order to avoid disclosure of information for specific partnerships, these data are not shown. However, they are included in the appropriate totals.

[1] Farm net profit was combined with other income to prevent disclosure due to the small numbers of returns sampled in certain sectors.

[2] Depletion and farm net loss were combined with other deductions to prevent disclosure due to the small numbers of returns sampled in certain sectors.

[3] Total net income (loss) is the sum of ordinary business income (loss), interest income, dividend income, royalties, net rental real estate income (loss), and other net rental income (loss). For more information, see Explanation of Selected Terms for total net income (loss) at the end of the article text.

[4] The Educational and Other services sectors were combined due to disclosure concerns.

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

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

Table 2. Partnerships with Net Income: Total Assets, Trade or Business Income and Deductions, Portfolio Income, Rental Income, and Total Net Income, by Industrial Group, Tax Year 2016

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

| Item | All industries | Agriculture, forestry, fishing, and hunting | Mining | Utilities | Construction | Manufacturing |
|---|-----------------------|---|--------------------|--------------------|--------------------|--------------------|
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Number of partnerships | 2,196,281 | 69,697 | 23,133 | 1,255 | 107,775 | 31,715 |
| Number of partners | 17,467,261 | 201,410 | 1,561,087 | 5,068 | 349,444 | 206,162 |
| Total assets | 20,735,011,929 | 117,813,991 | 324,838,758 | 212,310,208 | 155,463,775 | 601,432,602 |
| Income and deductions from a trade or business: | | | | | | |
| Total income | 4,111,242,492 | 36,694,597 | 94,541,284 | 113,213,175 | 273,172,490 | 627,490,035 |
| Business receipts | 3,747,347,938 | 25,818,533 | 77,865,632 | 107,266,758 | 267,312,324 | 612,758,525 |
| Ordinary income from other partnerships and fiduciaries | 140,657,842 | 1,280,647 | 3,827,048 | 4,014,081 | 1,971,201 | 4,014,589 |
| Net gain, noncapital assets | 24,863,631 | 702,033 | 4,805,732 | 1,155,747 | 607,188 | 859,212 |
| Other income [1] | 198,373,080 | 8,893,385 | 8,042,872 | 776,588 | 3,281,777 | 9,857,708 |
| Total deductions | 3,462,296,196 | 27,094,330 | 66,584,238 | 104,485,128 | 248,946,300 | 567,319,037 |
| Cost of goods sold | 1,959,686,540 | 16,885,625 | 30,219,966 | 84,613,955 | 213,314,835 | 464,152,382 |
| Inventory, beginning of year | 202,302,487 | 2,692,373 | 2,176,898 | 3,162,686 | 23,661,329 | 53,260,312 |
| Purchases | 1,362,882,428 | 12,392,060 | 3,953,910 | 68,850,764 | 59,319,293 | 350,935,450 |
| Cost of labor | 117,161,838 | 959,578 | 2,325,868 | [d] | 23,461,285 | 27,914,243 |
| Additional inventory costs (section 263A) | 10,831,309 | 461,145 | 56,290 | [d] | 2,660,354 | 1,667,982 |
| Other costs | 484,101,739 | 3,920,470 | 23,482,358 | 18,032,003 | 126,478,047 | 86,695,481 |
| Less: Inventory, end of year | 217,593,261 | 3,540,001 | 1,775,358 | 5,728,798 | 22,265,473 | 56,321,087 |
| Salaries and wages | 436,929,574 | 1,762,281 | 2,002,872 | 962,460 | 9,856,954 | 23,721,487 |
| Guaranteed payments to partners | 52,467,337 | 1,279,047 | 143,397 | 85,773 | 1,818,052 | 1,481,299 |
| Rent paid | 72,652,494 | 416,118 | 287,607 | 301,274 | 1,154,594 | 2,582,372 |
| Interest paid | 49,364,395 | 190,229 | 3,331,452 | 2,884,358 | 1,021,140 | 4,299,874 |
| Taxes and licenses | 59,839,137 | 317,404 | 2,161,841 | 1,118,814 | 1,557,889 | 5,383,587 |
| Bad debts | 11,356,973 | 19,874 | 17,721 | 59,158 | 145,425 | 232,431 |
| Repairs and maintenance | 22,290,941 | 431,861 | 226,015 | 1,232,448 | 604,493 | 2,415,408 |
| Depreciation | 85,101,472 | 616,364 | 6,770,339 | 5,524,414 | 1,451,709 | 5,822,578 |
| Retirement plans, etc. | 12,142,624 | 14,478 | 43,812 | 75,276 | 282,904 | 1,433,363 |
| Employee benefit programs | 31,700,093 | 123,006 | 192,843 | 114,507 | 757,678 | 4,317,770 |
| Ordinary loss from other partnerships and fiduciaries | 8,846,196 | 199,418 | 238,592 | 80,189 | 66,036 | 436,873 |
| Net loss, noncapital assets | 1,957,111 | * 4,764 | 342,383 | * 2,302 | 46,709 | 88,074 |
| Other deductions [2] | 657,961,310 | 4,833,860 | 20,605,398 | 7,430,199 | 16,867,883 | 50,951,541 |
| Ordinary business income (loss) | 648,946,295 | 9,600,268 | 27,957,045 | 8,728,048 | 24,226,190 | 60,170,998 |
| Net income | 664,421,517 | [d] | 28,175,286 | 8,746,938 | 24,329,897 | [d] |
| Loss | 15,475,221 | [d] | 218,241 | * 18,890 | 103,707 | [d] |
| Portfolio income (loss) distributed directly to partners | 753,170,769 | 2,087,762 | 5,898,367 | 510,033 | 862,253 | 27,025,346 |
| Interest income | 172,118,685 | 541,382 | 435,599 | 144,034 | 301,245 | 4,251,792 |
| Dividend income | 162,771,558 | 562,330 | 179,319 | [d] | [d] | 13,255,542 |
| Royalties | 26,493,390 | 270,764 | 2,811,034 | [d] | [d] | 7,153,499 |
| Net short-term capital gain (loss) | 13,634,383 | -42,116 | 563,292 | * 93 | [d] | -76,274 |
| Net long-term capital gain (loss) | 378,152,753 | 755,401 | 1,909,123 | 307,613 | [d] | 2,440,787 |
| Net rental real estate income (loss) | 156,463,672 | 663,063 | 128,982 | * 177 | 488,211 | 55,247 |
| Net income | 161,039,245 | 684,481 | 149,028 | [d] | 674,381 | 61,235 |
| Loss | 4,575,572 | 21,418 | 20,047 | [d] | 186,170 | 5,988 |
| Other net rental income (loss) | 6,511,466 | 65,826 | 298,923 | * 32,717 | [d] | 106,098 |
| Total net income [3] | 1,173,305,066 | 11,703,633 | 31,810,903 | 8,963,269 | 25,046,980 | 84,993,176 |

Footnotes at end of table.

Table 2. Partnerships with Net Income: Total Assets, Trade or Business Income and Deductions, Portfolio Income, Rental Income, and Total Net Income, by Industrial Group, Tax Year 2016—Continued

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

| Item | Wholesale trade | Retail trade | Transportation and warehousing | Information | Finance and insurance | Real estate and rental and leasing | Professional, scientific, and technical services |
|---|--------------------|--------------------|--------------------------------|--------------------|-----------------------|------------------------------------|--|
| | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Number of partnerships | 34,630 | 103,495 | 23,096 | 17,336 | 239,168 | 1,095,366 | 149,998 |
| Number of partners | 503,481 | 445,697 | 1,044,330 | 59,788 | 5,719,673 | 4,589,896 | 514,538 |
| Total assets | 265,341,704 | 151,011,329 | 427,914,778 | 680,139,759 | 12,507,928,423 | 3,880,255,219 | 241,594,424 |
| Income and deductions from a trade or business: | | | | | | | |
| Total income | 520,457,397 | 392,228,283 | 141,563,311 | 322,692,008 | 343,934,862 | 168,500,736 | 443,163,990 |
| Business receipts | 514,087,823 | 382,031,344 | 131,294,822 | 297,627,003 | 197,095,214 | 133,832,851 | 428,508,158 |
| Ordinary income from other partnerships and fiduciaries | 1,733,290 | 1,103,042 | 3,009,195 | 18,756,497 | 54,582,967 | 16,385,775 | 6,150,693 |
| Net gain, noncapital assets | 591,573 | 248,637 | 2,701,804 | 302,677 | 6,687,097 | 4,060,795 | 304,877 |
| Other income [1] | 4,044,710 | 8,845,259 | 4,557,489 | 6,005,831 | 85,569,584 | 14,221,315 | 8,200,262 |
| Total deductions | 496,722,256 | 375,316,027 | 120,487,338 | 249,967,043 | 219,453,328 | 123,274,623 | 332,829,416 |
| Cost of goods sold | 424,333,799 | 299,578,640 | 59,474,505 | 74,019,923 | 44,556,264 | 61,210,838 | 71,026,536 |
| Inventory, beginning of year | 40,509,256 | 45,289,072 | 2,095,967 | 5,678,324 | 2,309,160 | 15,687,367 | 1,303,555 |
| Purchases | 372,264,865 | 288,347,724 | 31,820,556 | 37,471,463 | 36,000,969 | 27,014,397 | 22,017,904 |
| Cost of labor | 4,590,331 | 3,222,376 | 3,450,612 | 912,605 | 468,991 | 2,325,967 | 16,612,130 |
| Additional inventory costs (section 263A) | 1,317,032 | 864,882 | 305,366 | 423,139 | 9,698 | 2,183,866 | 406,684 |
| Other costs | 52,045,640 | 10,140,520 | 24,180,871 | 33,188,855 | 8,944,872 | 31,963,997 | 31,933,624 |
| Less: Inventory, end of year | 46,393,325 | 48,285,934 | 2,378,866 | 3,654,463 | 3,177,425 | 17,964,755 | 1,247,361 |
| Salaries and wages | 23,232,107 | 25,427,962 | 6,548,559 | 20,520,833 | 61,333,837 | 14,235,082 | 110,793,073 |
| Guaranteed payments to partners | 1,960,208 | 1,476,896 | 566,025 | 1,563,612 | 9,908,266 | 1,769,603 | 20,838,177 |
| Rent paid | 3,260,141 | 7,495,390 | 2,274,632 | 9,110,948 | 4,689,792 | 2,521,889 | 14,714,313 |
| Interest paid | 3,148,629 | 1,863,678 | 4,772,571 | 4,283,772 | 8,672,490 | 3,242,178 | 1,612,109 |
| Taxes and licenses | 2,590,998 | 3,644,795 | 2,536,989 | 3,410,097 | 3,762,812 | 1,894,017 | 9,823,350 |
| Bad debts | 295,137 | 443,157 | 58,829 | 2,398,597 | 2,169,532 | 374,123 | 284,339 |
| Repairs and maintenance | 1,139,832 | 1,436,540 | 2,640,479 | 1,803,401 | 540,421 | 916,070 | 1,471,451 |
| Depreciation | 3,619,215 | 2,867,834 | 15,426,253 | 18,632,051 | 2,388,515 | 5,173,081 | 3,245,423 |
| Retirement plans, etc. | 640,415 | 218,989 | 164,278 | 727,261 | 1,244,193 | 198,917 | 5,065,209 |
| Employee benefit programs | 2,191,598 | 1,581,515 | 884,615 | 2,049,473 | 3,085,702 | 685,424 | 6,982,170 |
| Ordinary loss from other partnerships and fiduciaries | 40,149 | 29,506 | 472,709 | 158,990 | 4,809,568 | 1,279,069 | 102,776 |
| Net loss, noncapital assets | 19,045 | 122,551 | 39,488 | 352,173 | 480,909 | 108,702 | 174,104 |
| Other deductions [2] | 30,250,983 | 29,128,574 | 24,627,405 | 110,935,910 | 71,811,027 | 29,665,631 | 86,696,385 |
| Ordinary business income (loss) | 23,735,140 | 16,912,255 | 21,075,973 | 72,724,965 | 124,481,534 | 45,226,113 | 110,334,574 |
| Net income | 23,775,557 | 16,947,707 | [d] | 73,595,392 | 131,297,738 | 47,936,040 | [d] |
| Loss | 40,417 | 35,452 | [d] | * 870,427 | 6,816,204 | 2,709,927 | [d] |
| Portfolio income (loss) distributed directly to partners | 2,013,575 | 1,357,591 | 1,528,207 | 7,513,118 | 608,406,543 | 55,784,518 | 3,931,359 |
| Interest income | 437,615 | 252,801 | 235,078 | 4,614,147 | 141,881,399 | 11,984,336 | 783,506 |
| Dividend income | 610,233 | 163,068 | [d] | 264,124 | 124,825,314 | 11,016,733 | 613,808 |
| Royalties | 64,683 | 29,269 | [d] | 1,394,614 | 6,804,645 | 5,644,849 | 569,168 |
| Net short-term capital gain (loss) | 6,915 | -4,721 | * -73 | 126,897 | 12,929,592 | -477,398 | -17,562 |
| Net long-term capital gain (loss) | 894,129 | 917,174 | 1,064,888 | 1,113,337 | 321,965,593 | 27,615,999 | 1,982,438 |
| Net rental real estate income (loss) | 99,174 | 215,418 | 284,087 | 7,415 | 2,042,409 | 151,112,616 | 101,439 |
| Net income | 115,146 | 216,747 | 294,405 | 9,009 | 3,788,671 | 153,387,475 | 150,725 |
| Loss | 15,972 | 1,329 | * 10,318 | * 1,594 | 1,746,262 | 2,274,859 | 49,286 |
| Other net rental income (loss) | 56,660 | 27,452 | 49,789 | 522,366 | 1,181,424 | 3,934,283 | 13,766 |
| Total net income [3] | 25,003,506 | 17,600,264 | 21,873,241 | 79,527,630 | 401,216,725 | 228,918,930 | 112,416,262 |

Footnotes at end of table.

Table 2. Partnerships with Net Income: Total Assets, Trade or Business Income and Deductions, Portfolio Income, Rental Income, and Total Net Income, by Industrial Group, Tax Year 2016—Continued

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

| Item | Management of companies (holding companies) | Administrative and support and waste management and remediation services | Health care and social assistance | Arts, entertainment, and recreation | Accommodation and food services | Educational and other services [4] | Nature of business not allocable |
|---|---|--|-----------------------------------|-------------------------------------|---------------------------------|------------------------------------|----------------------------------|
| | (14) | (15) | (16) | (17) | (18) | (19) | (20) |
| Number of partnerships | 12,951 | 46,979 | 49,302 | 35,206 | 84,303 | 70,875 | 0 |
| Number of partners | 1,230,309 | 108,069 | 240,392 | 102,436 | 298,685 | 286,796 | 0 |
| Total assets | 682,973,584 | 75,355,803 | 137,804,525 | 87,888,801 | 164,001,322 | 20,942,922 | 0 |
| Income and deductions from a trade or business: | | | | | | | |
| Total income | 33,750,556 | 101,106,748 | 239,435,857 | 62,472,822 | 163,201,878 | 33,622,463 | 0 |
| Business receipts | 12,945,984 | 91,759,332 | 223,351,649 | 53,745,136 | 157,555,147 | 32,491,700 | 0 |
| Ordinary income from other partnerships and fiduciaries | 15,049,012 | [d] | 3,164,443 | 2,683,754 | 1,938,050 | [d] | 0 |
| Net gain, noncapital assets | 608,335 | [d] | 210,603 | 69,729 | 806,909 | [d] | 0 |
| Other income [1] | 5,147,225 | 8,450,433 | 12,709,162 | 5,974,202 | 2,901,772 | 893,505 | 0 |
| Total deductions | 16,898,325 | 91,216,324 | 195,835,133 | 51,606,854 | 145,176,596 | 29,083,902 | 0 |
| Cost of goods sold | 5,647,019 | 34,281,020 | 12,310,262 | 8,142,701 | 45,701,693 | 10,216,577 | 0 |
| Inventory, beginning of year | 1,062,871 | 341,128 | 250,982 | 457,916 | 1,705,443 | 657,847 | 0 |
| Purchases | 2,954,282 | 5,785,774 | 3,816,021 | 2,682,027 | 31,882,416 | 5,372,551 | 0 |
| Cost of labor | 458,948 | 16,458,395 | [d] | 639,271 | 8,135,551 | 2,412,087 | 0 |
| Additional inventory costs (section 263A) | 120,133 | 53,045 | [d] | -2,156 | 161,923 | * 10,465 | 0 |
| Other costs | 1,974,851 | 12,029,845 | 5,856,688 | 5,190,587 | 5,615,195 | 2,427,835 | 0 |
| Less: Inventory, end of year | 924,066 | 387,166 | 261,192 | 824,945 | 1,798,835 | 664,208 | 0 |
| Salaries and wages | 2,797,959 | 26,749,558 | 58,853,959 | 13,294,680 | 28,110,683 | 6,725,227 | 0 |
| Guaranteed payments to partners | 453,829 | 869,736 | 6,369,082 | 757,430 | 659,646 | 467,259 | 0 |
| Rent paid | 270,116 | 1,444,117 | 9,162,641 | 2,268,272 | 8,665,798 | 2,032,480 | 0 |
| Interest paid | 1,450,647 | 853,076 | 1,618,319 | 1,516,553 | 4,212,388 | 390,932 | 0 |
| Taxes and licenses | 248,476 | 2,517,302 | 7,515,576 | 3,313,374 | 7,090,079 | 951,738 | 0 |
| Bad debts | 195,320 | 265,729 | 4,213,318 | 44,608 | 53,613 | 86,059 | 0 |
| Repairs and maintenance | 74,686 | 415,971 | 2,580,629 | 859,686 | 3,149,446 | 352,103 | 0 |
| Depreciation | 225,157 | 959,317 | 3,780,400 | 2,124,253 | 5,886,779 | 587,790 | 0 |
| Retirement plans, etc. | 27,456 | 392,369 | 1,170,063 | 303,277 | 82,899 | 57,466 | 0 |
| Employee benefit programs | 186,503 | 1,338,420 | 4,872,388 | 579,375 | 1,506,767 | 250,337 | 0 |
| Ordinary loss from other partnerships and fiduciaries | 665,871 | 59,954 | 58,360 | 21,612 | 124,028 | * 2,496 | 0 |
| Net loss, noncapital assets | 10,297 | 3,315 | 110,070 | 26,382 | 24,487 | 1,356 | 0 |
| Other deductions [2] | 4,644,990 | 21,066,439 | 83,220,067 | 18,354,648 | 39,908,288 | 6,962,082 | 0 |
| Ordinary business income (loss) | 16,852,231 | 9,890,425 | 43,600,724 | 10,865,968 | 18,025,282 | 4,538,562 | 0 |
| Net income | 18,081,428 | 9,916,564 | [d] | 10,985,574 | [d] | 4,559,688 | 0 |
| Loss | 1,229,197 | 26,139 | [d] | 119,606 | [d] | * 21,126 | 0 |
| Portfolio income (loss) distributed directly to partners | 27,491,913 | 1,312,756 | 964,105 | 4,004,696 | 1,948,600 | 530,026 | 0 |
| Interest income | 4,999,764 | 254,507 | 520,169 | 112,282 | 318,263 | 50,766 | 0 |
| Dividend income | 10,239,235 | [d] | [d] | 261,014 | [d] | [d] | 0 |
| Royalties | 1,140,360 | [d] | [d] | 129,011 | [d] | [d] | 0 |
| Net short-term capital gain (loss) | 654,670 | [d] | 1,271 | -533 | [d] | [d] | 0 |
| Net long-term capital gain (loss) | 10,457,884 | 738,163 | 430,053 | 3,502,923 | 1,257,112 | [d] | 0 |
| Net rental real estate income (loss) | 724,797 | 66,306 | 167,750 | 44,245 | 217,332 | * 45,003 | 0 |
| Net income | 868,592 | [d] | 223,872 | 49,309 | 252,573 | * 45,003 | 0 |
| Loss | 143,795 | [d] | 56,121 | * 5,065 | 35,240 | 0 | 0 |
| Other net rental income (loss) | 68,662 | 71,469 | 15,393 | [d] | [d] | [d] | 0 |
| Total net income [3] | 34,025,050 | 10,535,752 | 44,372,724 | 11,427,913 | 18,941,313 | 4,927,798 | 0 |

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

[d] In order to avoid disclosure of information for specific partnerships, these data are not shown. However, they are included in the appropriate totals.

[1] Farm net profit was combined with other income to prevent disclosure due to the small number of returns sampled in certain sectors.

[2] Depletion and farm net loss were combined with other deductions to prevent disclosure due to the small number of returns sampled in certain sectors.

[3] Total net income is the sum of ordinary business income (loss), interest income, dividend income, royalties, net rental real estate income (loss), and other net rental income (loss). For more information on Total net income (loss), see Explanation of Selected Terms at the end of the article text.

[4] The Educational and Other services sectors were combined due to disclosure concerns.

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

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

Table 3. All Partnerships: Balance Sheets by Industrial Group, Tax Year 2016

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

| Item | All industries | Agriculture, forestry, fishing, and hunting | Mining | Utilities | Construction | Manufacturing |
|---|-----------------------|---|--------------------|--------------------|--------------------|--------------------|
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Number of partnerships [1] | 3,763,117 | 136,664 | 41,670 | 5,681 | 169,887 | 71,201 |
| Number of partners | 28,163,819 | 460,571 | 2,233,049 | 76,971 | 550,182 | 870,241 |
| Partnerships reporting balance sheet data: | | | | | | |
| Number of partnerships | 2,842,119 | 109,837 | 31,577 | 5,170 | 102,882 | 42,840 |
| Number of partners | 25,146,808 | 375,357 | 2,111,943 | 75,920 | 398,213 | 734,468 |
| Total assets | 28,950,043,266 | 253,783,163 | 563,148,057 | 443,437,021 | 256,783,338 | 899,687,492 |
| Cash | 1,329,101,516 | 13,370,349 | 26,969,547 | 10,721,028 | 27,637,151 | 32,534,911 |
| Trade notes and accounts receivable | 853,409,501 | 7,484,548 | 20,251,333 | 17,575,143 | 37,556,700 | 127,720,253 |
| Less: Allowance for bad debts | 28,858,693 | 27,163 | 330,980 | 126,745 | 289,255 | 1,206,559 |
| Inventories | 367,003,652 | 14,544,310 | 5,460,121 | 7,978,217 | 38,846,798 | 82,551,788 |
| U.S. Government obligations | 151,887,462 | 0 | 0 | 0 | [d] | * 35,643 |
| Tax-exempt securities | 44,752,510 | [d] | 0 | [d] | [d] | * 117,554 |
| Other current assets | 2,675,640,972 | 12,838,810 | 24,067,906 | 15,543,052 | 42,916,404 | 43,542,050 |
| Loans to partners | 137,146,937 | 1,736,317 | [d] | 139,145 | 2,009,036 | 8,853,456 |
| Mortgage and real estate loans | 110,474,637 | [d] | [d] | 0 | * 323,501 | * 197,288 |
| Other investments | 14,311,848,711 | 25,075,889 | 71,493,136 | 97,611,064 | 21,970,921 | 160,192,541 |
| Depreciable assets | 6,997,287,084 | 146,053,883 | 287,386,910 | 305,520,864 | 46,880,833 | 383,034,674 |
| Less: Accumulated depreciation | 2,246,756,528 | 89,292,676 | 144,968,697 | 70,759,262 | 22,538,712 | 177,054,782 |
| Depletable assets | 366,102,090 | 10,398,929 | 324,592,643 | [d] | * 33,173 | 1,460,617 |
| Less: Accumulated depletion | 130,886,395 | 1,594,781 | 122,721,137 | [d] | * 7,002 | 440,005 |
| Land | 1,199,528,952 | 73,467,633 | 6,578,954 | 1,456,082 | 16,987,396 | 7,408,770 |
| Intangible assets | 1,314,823,917 | [d] | 46,120,032 | [d] | 12,863,889 | 152,926,274 |
| Less: Accumulated amortization | 252,973,511 | 1,717,357 | 18,433,447 | [d] | 1,631,740 | 32,216,549 |
| Other assets | 1,750,510,450 | 33,859,469 | 35,734,833 | 38,798,627 | 33,013,578 | 110,029,569 |
| Total liabilities and capital | 28,950,043,266 | 253,783,163 | 563,148,057 | 443,437,021 | 256,783,338 | 899,687,492 |
| Accounts payable | 582,851,973 | 4,921,752 | 16,875,585 | 14,882,015 | 30,520,852 | 91,810,650 |
| Mortgages, notes, bonds payable in less than 1 year | 407,009,913 | 22,133,281 | 6,722,625 | 12,658,940 | 17,196,962 | 21,420,637 |
| Other current liabilities | 3,926,840,111 | 14,895,492 | 37,259,859 | 18,449,708 | 36,968,128 | 86,364,277 |
| Nonrecourse loans | 1,317,580,568 | 2,635,572 | 6,172,825 | 9,710,781 | 6,844,354 | 26,144,970 |
| Loans from partners | 322,036,189 | 3,252,454 | 9,983,227 | 1,343,667 | 8,171,547 | 23,687,824 |
| Mortgages, notes, bonds payable in 1 year or more | 3,477,198,579 | 60,963,342 | 91,214,568 | 97,245,437 | 46,772,831 | 94,283,830 |
| Other liabilities | 1,988,428,138 | 10,963,287 | 64,533,986 | 44,946,860 | 20,812,120 | 50,059,987 |
| Partners capital accounts | 16,928,097,795 | 134,017,983 | 330,385,383 | 244,199,613 | 89,496,544 | 505,915,317 |

Footnotes at end of table.

Table 3. All Partnerships: Balance Sheets by Industrial Group, Tax Year 2016—Continued

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

| Item | Wholesale trade | Retail trade | Transportation and warehousing | Information | Finance and insurance | Real estate and rental and leasing | Professional, scientific, and technical services |
|---|--------------------|--------------------|--------------------------------|--------------------|-----------------------|------------------------------------|--|
| | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Number of partnerships [1] | 70,145 | 175,034 | 41,533 | 43,659 | 379,300 | 1,877,734 | 241,030 |
| Number of partners | 721,889 | 816,043 | 2,489,276 | 177,481 | 7,403,812 | 8,366,525 | 839,758 |
| Partnerships reporting balance sheet data: | | | | | | | |
| Number of partnerships | 50,597 | 109,165 | 26,914 | 20,527 | 312,163 | 1,546,493 | 142,164 |
| Number of partners | 665,211 | 649,347 | 2,447,210 | 108,556 | 7,036,457 | 7,232,206 | 607,584 |
| Total assets | 343,039,521 | 223,551,474 | 791,594,193 | 974,975,659 | 15,638,617,618 | 6,571,438,695 | 336,801,255 |
| Cash | 14,297,182 | 17,986,201 | 6,974,417 | 22,869,019 | 729,364,252 | 267,860,325 | 55,906,304 |
| Trade notes and accounts receivable | 85,886,629 | 19,907,548 | 66,177,281 | 89,109,588 | 190,518,591 | 59,144,530 | 36,487,484 |
| Less: Allowance for bad debts | 981,693 | 413,867 | 182,425 | 2,481,274 | 5,601,977 | 1,840,875 | 1,586,965 |
| Inventories | 55,898,603 | 67,006,034 | 6,591,789 | 9,304,464 | 33,214,933 | 35,324,238 | 2,292,272 |
| U.S. Government obligations | [d] | [d] | [d] | [d] | 150,061,138 | 1,101,933 | * 328,786 |
| Tax-exempt securities | [d] | [d] | [d] | * 21,001 | 39,292,913 | 4,717,902 | [d] |
| Other current assets | 17,926,151 | 9,088,187 | 12,807,909 | 59,441,375 | 2,035,056,800 | 273,921,977 | 39,053,545 |
| Loans to partners | 2,365,748 | 754,978 | 287,222 | 12,426,094 | 52,720,048 | 31,734,232 | 8,860,131 |
| Mortgage and real estate loans | * 139,934 | * 248,762 | 0 | [d] | 71,317,645 | 34,376,996 | [d] |
| Other investments | 16,140,016 | 16,186,932 | 111,038,542 | 156,023,461 | 11,614,273,156 | 1,325,815,738 | 75,542,747 |
| Depreciable assets | 94,915,090 | 77,045,509 | 564,848,617 | 288,975,357 | 108,386,332 | 4,099,879,728 | 77,155,136 |
| Less: Accumulated depreciation | 33,717,391 | 38,838,704 | 128,320,113 | 144,798,113 | 31,509,357 | 1,121,745,039 | 44,961,432 |
| Depletable assets | [d] | [d] | [d] | 0 | 9,883,854 | 8,809,308 | * 122,474 |
| Less: Accumulated depletion | [d] | [d] | [d] | 0 | 1,706,034 | 2,604,147 | * 13,229 |
| Land | 6,052,713 | 8,211,217 | 3,410,989 | 1,944,486 | 19,309,208 | 999,245,537 | 995,183 |
| Intangible assets | 70,610,585 | 35,113,165 | 83,897,367 | 396,068,957 | 68,762,118 | 189,078,954 | 71,698,728 |
| Less: Accumulated amortization | 9,525,348 | 6,164,020 | 8,085,274 | 35,729,618 | 17,757,535 | 67,601,465 | 15,153,503 |
| Other assets | 22,993,796 | 17,413,641 | 65,855,321 | 121,565,263 | 573,031,532 | 434,218,823 | 29,194,285 |
| Total liabilities and capital | 343,039,521 | 223,551,474 | 791,594,193 | 974,975,659 | 15,638,617,618 | 6,571,438,695 | 336,801,255 |
| Accounts payable | 67,838,965 | 19,060,494 | 57,679,857 | 70,674,468 | 104,498,882 | 49,908,677 | 20,467,043 |
| Mortgages, notes, bonds payable in less than 1 year | 15,536,033 | 38,973,572 | 12,447,339 | 39,089,665 | 78,645,356 | 100,571,617 | 9,802,181 |
| Other current liabilities | 26,638,826 | 20,174,706 | 32,135,585 | 51,331,964 | 3,147,580,819 | 261,241,681 | 53,991,607 |
| Nonrecourse loans | 3,110,423 | 3,251,524 | 7,387,496 | 4,752,782 | 82,293,750 | 1,121,291,018 | 4,136,939 |
| Loans from partners | 4,957,196 | 5,892,173 | 3,921,103 | 32,764,933 | 56,950,131 | 132,555,723 | 6,164,146 |
| Mortgages, notes, bonds payable in 1 year or more | 56,631,333 | 39,482,097 | 244,993,445 | 121,980,469 | 279,775,348 | 1,991,084,813 | 37,974,194 |
| Other liabilities | 31,717,367 | 22,073,596 | 65,592,922 | 56,099,549 | 912,628,189 | 466,415,160 | 31,759,438 |
| Partners capital accounts | 136,609,378 | 74,643,310 | 367,436,446 | 598,281,827 | 10,976,245,142 | 2,448,370,006 | 172,505,708 |

Footnotes at end of table.

Table 3. All Partnerships: Balance Sheets by Industrial Group, Tax Year 2016—Continued

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

| Item | Management of companies (holding companies) | Administrative and support and waste management and remediation services | Health care and social assistance | Arts, entertainment, and recreation | Accommodation and food services | Educational and other services [2] | Nature of business not allocable |
|---|---|--|-----------------------------------|-------------------------------------|---------------------------------|------------------------------------|----------------------------------|
| | (14) | (15) | (16) | (17) | (18) | (19) | (20) |
| Number of partnerships [1] | 28,730 | 60,570 | 82,907 | 47,927 | 157,820 | 131,625 | 0 |
| Number of partners | 1,378,134 | 157,177 | 374,186 | 246,527 | 572,092 | 429,905 | 0 |
| Partnerships reporting balance sheet data: | | | | | | | |
| Number of partnerships | 18,948 | 41,736 | 67,172 | 32,810 | 113,097 | 68,027 | 0 |
| Number of partners | 1,332,479 | 118,331 | 324,967 | 202,282 | 433,368 | 292,910 | 0 |
| Total assets | 855,951,198 | 106,296,602 | 202,004,574 | 152,201,179 | 297,400,059 | 39,332,167 | 0 |
| Cash | 40,539,051 | 8,710,709 | 17,630,208 | 11,506,060 | 20,773,089 | 3,451,713 | 0 |
| Trade notes and accounts receivable | 17,077,032 | 22,454,727 | 40,195,222 | 6,849,919 | 6,325,893 | 2,687,078 | 0 |
| Less: Allowance for bad debts | 201,518 | 178,075 | 12,900,879 | 182,361 | 144,512 | 181,571 | 0 |
| Inventories | 1,469,923 | 541,620 | 932,017 | 863,693 | 3,034,445 | 1,148,385 | 0 |
| U.S. Government obligations | [d] | 0 | [d] | [d] | [d] | 0 | 0 |
| Tax-exempt securities | [d] | 0 | [d] | 0 | * 49,739 | 0 | 0 |
| Other current assets | 35,387,667 | 14,941,637 | 14,933,880 | 11,073,481 | 10,951,031 | 2,149,109 | 0 |
| Loans to partners | 11,048,295 | 134,943 | 889,356 | 525,036 | 1,706,621 | [d] | 0 |
| Mortgage and real estate loans | * 1,222,837 | 0 | 0 | [d] | [d] | [d] | 0 |
| Other investments | 557,998,292 | 14,288,680 | 9,774,494 | 21,979,909 | 13,475,498 | 2,967,696 | 0 |
| Depreciable assets | 41,091,801 | 21,187,607 | 115,561,597 | 71,363,041 | 250,246,882 | 17,753,224 | 0 |
| Less: Accumulated depreciation | 6,574,608 | 10,771,734 | 53,162,314 | 30,320,017 | 88,462,416 | 8,961,160 | 0 |
| Depletable assets | * 2,088,964 | [d] | 0 | 0 | [d] | 0 | 0 |
| Less: Accumulated depletion | * 88,093 | [d] | 0 | 0 | [d] | 0 | 0 |
| Land | 3,864,217 | 836,749 | 6,057,613 | 8,825,026 | 30,796,567 | 4,080,611 | 0 |
| Intangible assets | 8,721,410 | 27,549,106 | 41,768,723 | 38,593,278 | 29,105,334 | 11,525,531 | 0 |
| Less: Accumulated amortization | 2,010,495 | [d] | 5,208,997 | 9,422,470 | 6,708,856 | 2,297,443 | 0 |
| Other assets | 144,207,719 | 13,526,904 | 25,513,968 | 20,543,624 | 26,155,311 | 4,854,189 | 0 |
| Total liabilities and capital | 855,951,198 | 106,296,602 | 202,004,574 | 152,201,179 | 297,400,059 | 39,332,167 | 0 |
| Accounts payable | 3,694,380 | 3,973,345 | 9,519,894 | 4,888,358 | 10,049,672 | 1,587,083 | 0 |
| Mortgages, notes, bonds payable in less than 1 year | 12,970,483 | 3,652,700 | 5,321,613 | 2,654,615 | 6,480,406 | 731,887 | 0 |
| Other current liabilities | 47,489,692 | 17,168,847 | 24,962,862 | 22,136,197 | 24,487,990 | 3,561,870 | 0 |
| Nonrecourse loans | 7,083,914 | * 401,017 | 5,606,046 | 3,490,046 | 21,965,527 | * 1,301,586 | 0 |
| Loans from partners | 7,281,657 | 3,537,520 | 4,163,279 | 4,084,304 | 9,472,931 | 3,852,374 | 0 |
| Mortgages, notes, bonds payable in 1 year or more | 42,414,870 | 27,249,229 | 50,107,061 | 48,870,945 | 133,724,669 | 12,430,098 | 0 |
| Other liabilities | 118,478,208 | 7,148,626 | 33,001,904 | 23,722,140 | 23,981,914 | 4,492,885 | 0 |
| Partners capital accounts | 616,537,993 | 43,165,319 | 69,321,914 | 42,354,575 | 67,236,950 | 11,374,385 | 0 |

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

[d] In order to avoid disclosure of information for specific partnerships, these data are not shown. However, they are included in the appropriate totals.

[1] The difference between "number of partnerships" and "number of partnerships reporting balance sheet data" is due to partnerships exempt from filing balance sheets. Since these partnerships are generally small—total assets less than \$1,000,000 and total receipts less than \$250,000—balance sheet data for partnerships are slightly understated.

[2] The Educational and Other services sectors were combined to prevent disclosure due to the small numbers of return sampled in certain sectors.

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

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

Table 4. Partnerships with Net Rental Real Estate Income (Loss), by Industrial Group, Tax Year 2016

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

| Item | All industries | Agriculture, forestry, fishing, and hunting | Mining | Utilities | Construction | Manufacturing |
|---|--------------------|---|----------------|----------------|------------------|---------------|
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Number of partnerships | 1,644,351 | 16,039 | 1,957 | 80 | 9,053 | 633 |
| Number of partners | 10,225,966 | 66,492 | 11,147 | 643 | 28,991 | 19,194 |
| Gross rents from real estate | 588,953,597 | 1,336,030 | 320,300 | * 2,318 | 989,619 | 79,071 |
| Real estate rental expenses, total | 534,007,594 | 682,262 | 226,324 | * 2,104 | 1,168,807 | 34,588 |
| Advertising | 2,791,128 | * 339 | [d] | [d] | 26,848 | [d] |
| Auto and travel | 991,861 | * 2,421 | [d] | [d] | 7,001 | [d] |
| Cleaning and maintenance | 20,551,039 | 14,037 | * 472 | [d] | 43,650 | [d] |
| Commissions | 2,196,807 | * 5,020 | [d] | 0 | * 14,882 | [d] |
| Insurance | 13,146,790 | 18,960 | * 9,171 | [d] | 30,022 | * 558 |
| Legal and other professional fees | 33,637,858 | 36,967 | * 2,783 | [d] | 73,968 | [d] |
| Interest expense | 118,953,365 | 123,402 | * 27,172 | [d] | 310,595 | * 4,264 |
| Repairs | 30,099,413 | 32,471 | [d] | [d] | 22,975 | 552 |
| Taxes | 58,596,635 | 57,668 | 4,514 | [d] | 100,319 | 2,644 |
| Utilities | 30,496,170 | 24,921 | 5,969 | [d] | 68,714 | * 137 |
| Wages and salaries | 22,330,483 | * 5,524 | [d] | 0 | 32,697 | * 416 |
| Depreciation | 131,664,422 | 209,693 | 150,627 | [d] | 292,116 | 18,284 |
| Other expenses | 68,551,621 | 150,836 | 11,632 | [d] | 145,022 | 7,392 |
| Net gain (loss) from sales of business property | 3,306,223 | [d] | 0 | 0 | [d] | 0 |
| Net income (loss) from partnerships, estates, and trusts | -1,239,781 | [d] | -35,920 | 1,951 | [d] | 20,224 |
| Net income | 37,064,976 | [d] | 35,100 | [d] | [d] | 21,729 |
| Loss | 38,304,758 | 7,725 | 71,021 | [d] | 298,595 | 1,506 |
| Net rental real estate income (loss) | 57,012,446 | 843,576 | 58,056 | 2,165 | 109,858 | 64,707 |
| Net income | 162,916,110 | 899,740 | 158,861 | [d] | 704,757 | 75,063 |
| Loss | 105,903,665 | 56,164 | 100,805 | [d] | 594,899 | 10,356 |

Footnotes at end of table.

Table 4. Partnerships with Net Rental Real Estate Income (Loss), by Industrial Group, Tax Year 2016—Continued

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

| Item | Wholesale trade | Retail trade | Transportation and warehousing | Information | Finance and insurance | Real estate and rental and leasing | Professional, scientific, and technical services |
|---|-----------------|----------------|--------------------------------|----------------|-----------------------|------------------------------------|--|
| | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Number of partnerships | 2,111 | 2,225 | 413 | 134 | 66,134 | 1,519,075 | 7,188 |
| Number of partners | 152,727 | 9,305 | 892,546 | 1,282 | 1,823,573 | 6,871,989 | 45,623 |
| Gross rents from real estate | 253,222 | 522,600 | 187,184 | 150,729 | 3,607,574 | 577,403,726 | 269,642 |
| Real estate rental expenses, total | 277,300 | 247,551 | 92,449 | 188,901 | 4,346,234 | 522,912,017 | 195,329 |
| Advertising | [d] | [d] | 0 | [d] | 23,184 | 2,704,559 | [d] |
| Auto and travel | [d] | [d] | [d] | [d] | 5,225 | 965,032 | * 785 |
| Cleaning and maintenance | 887 | 5,619 | [d] | * 446 | 138,891 | 20,286,172 | * 2,928 |
| Commissions | [d] | * 283 | [d] | [d] | 6,918 | 2,160,530 | [d] |
| Insurance | 3,503 | 2,832 | * 1,607 | * 1,242 | 67,481 | 12,907,556 | 4,281 |
| Legal and other professional fees | 695 | 5,785 | * 3,265 | * 11,002 | 601,621 | 32,602,610 | 5,013 |
| Interest expense | 38,084 | 82,482 | * 7,692 | * 27,435 | 691,803 | 117,030,959 | 53,474 |
| Repairs | [d] | [d] | * 310 | * 1,651 | 218,268 | 29,672,145 | 6,567 |
| Taxes | 29,958 | 17,220 | * 2,315 | * 4,300 | 430,462 | 57,709,847 | 16,674 |
| Utilities | 1,240 | 5,153 | * 1,713 | * 2,495 | 232,614 | 29,988,160 | 13,206 |
| Wages and salaries | [d] | [d] | * 6,129 | * 7,231 | 101,478 | 21,690,479 | * 3,204 |
| Depreciation | 154,569 | 85,289 | 29,807 | * 78,250 | 1,218,794 | 128,733,704 | 41,040 |
| Other expenses | 24,342 | 29,147 | 31,923 | 53,244 | 609,495 | 66,460,264 | 47,662 |
| Net gain (loss) from sales of business property | [d] | 0 | [d] | 0 | 59,829 | 2,817,153 | [d] |
| Net income (loss) from partnerships, estates, and trusts | [d] | 7,390 | [d] | -5,216 | -3,057,411 | 1,584,457 | [d] |
| Net income | [d] | 52,857 | [d] | * 518 | 3,658,147 | 31,449,603 | [d] |
| Loss | 13,006 | * 45,467 | * 27,661 | * 5,734 | 6,715,558 | 29,865,146 | 248,426 |
| Net rental real estate income (loss) | 27,965 | 282,439 | 313,693 | -43,388 | -3,736,242 | 58,893,320 | -116,958 |
| Net income | 126,405 | 335,025 | 336,941 | 47,678 | 4,074,751 | 154,143,710 | 157,386 |
| Loss | 98,440 | 52,586 | * 23,249 | 91,066 | 7,810,993 | 95,250,391 | 274,344 |

Footnotes at end of table.

Table 4. Partnerships with Net Rental Real Estate Income (Loss), by Industrial Group, Tax Year 2016—Continued

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

| Item | Management of companies (holding companies) | Administrative and support and waste management and remediation services | Health care and social assistance | Arts, entertainment, and recreation | Accommodation and food services | Educational and other services [1] | Nature of business not allocable |
|---|---|--|-----------------------------------|-------------------------------------|---------------------------------|------------------------------------|----------------------------------|
| | (14) | (15) | (16) | (17) | (18) | (19) | (20) |
| Number of partnerships | 10,174 | 2,174 | 1,491 | 1,112 | 3,776 | 582 | 0 |
| Number of partners | 52,861 | 5,583 | 12,858 | 96,328 | 19,716 | 115,110 | 0 |
| Gross rents from real estate | 700,128 | 163,423 | 1,786,841 | 159,771 | 954,561 | * 66,860 | 0 |
| Real estate rental expenses, total | 756,661 | 95,790 | 1,806,673 | 156,150 | 785,804 | * 32,652 | 0 |
| Advertising | 5,454 | 0 | 28,975 | * 94 | 860 | 0 | 0 |
| Auto and travel | 5,170 | [d] | 3,579 | [d] | * 685 | 0 | 0 |
| Cleaning and maintenance | 15,012 | * 845 | 16,292 | * 2,704 | 15,775 | 0 | 0 |
| Commissions | * 3,536 | 0 | * 3,913 | [d] | * 700 | 0 | 0 |
| Insurance | 23,556 | * 1,244 | 52,172 | 2,229 | 19,708 | [d] | 0 |
| Legal and other professional fees | 52,712 | * 751 | 202,143 | * 11,392 | 26,789 | 0 | 0 |
| Interest expense | 89,182 | * 13,037 | 166,295 | 39,038 | 228,760 | [d] | 0 |
| Repairs | 44,924 | [d] | 48,130 | 6,974 | 20,503 | [d] | 0 |
| Taxes | 62,739 | * 2,692 | 100,944 | 7,267 | 46,225 | [d] | 0 |
| Utilities | 24,036 | * 2,515 | 76,276 | 8,893 | 36,506 | [d] | 0 |
| Wages and salaries | 46,316 | [d] | 365,595 | * 1,569 | 39,838 | 0 | 0 |
| Depreciation | 243,877 | 26,341 | 157,000 | 42,396 | 178,304 | [d] | 0 |
| Other expenses | 140,147 | * 46,044 | 585,359 | 33,172 | 171,150 | [d] | 0 |
| Net gain (loss) from sales of business property | * 3,823 | 0 | * 84,997 | 0 | * -8,724 | [d] | 0 |
| Net income (loss) from partnerships, estates, and trusts | 54,439 | * -399 | 3,370 | 9,882 | -50,164 | [d] | 0 |
| Net income | 862,513 | * 829 | 33,573 | 21,115 | 103,291 | [d] | 0 |
| Loss | 808,074 | * 1,228 | 30,202 | 11,233 | 153,455 | [d] | 0 |
| Net rental real estate income (loss) | 1,728 | 67,235 | 68,535 | 13,503 | 109,869 | 52,387 | 0 |
| Net income | 1,014,683 | 69,117 | 253,301 | 61,642 | 395,431 | [d] | 0 |
| Loss | 1,012,955 | * 1,882 | 184,766 | 48,139 | 285,562 | [d] | 0 |

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

[d] In order to avoid disclosure of information for specific partnerships, these data are not shown. However, they are included in the appropriate totals.

[1] The Educational and Other services sectors were combined due to disclosure concerns.

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

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

Table 5. Partnerships with Income (Loss) Allocated to Partners, by Industrial Group, Tax Year 2016

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

| Item | All industries | Agriculture, forestry, fishing, and hunting | Mining | Utilities | Construction | Manufacturing |
|--|----------------------|---|-------------------|--------------------|-------------------|-------------------|
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Number of partnerships [1] | 3,763,117 | 136,664 | 41,670 | 5,681 | 169,887 | 71,201 |
| Number of partners [1] | 28,163,819 | 460,571 | 2,233,049 | 76,971 | 550,182 | 870,241 |
| Total income (loss) | 1,744,491,942 | 8,276,835 | 26,721,525 | -12,991,360 | 22,321,592 | 72,778,403 |
| Ordinary business income (loss) | 354,724,024 | -1,628,068 | 5,501,031 | -15,250,076 | 17,272,482 | 36,990,403 |
| Net rental real estate income (loss) | 57,012,446 | 843,576 | 58,056 | 2,165 | 109,858 | 64,707 |
| Other net rental income (loss) | 4,082,134 | 109,004 | 300,792 | -1,072,799 | -2,512 | 393,111 |
| Interest income | 181,106,456 | 638,627 | 722,436 | 329,153 | 413,308 | 4,551,564 |
| Dividend income | 166,780,363 | 718,366 | 331,345 | 142,992 | 29,790 | 13,509,307 |
| Royalties | 27,998,219 | 279,430 | 2,881,811 | * 1,482 | 5,395 | 7,650,457 |
| Net short-term capital gain (loss) | 17,331,887 | -43,092 | 675,939 | 12,566 | -22,123 | 110,268 |
| Net long-term capital gain (loss) | 456,803,804 | 1,522,538 | 2,668,355 | 190,597 | 993,568 | 4,600,757 |
| Guaranteed payments to partners | 85,865,107 | 1,932,753 | 334,034 | 208,485 | 2,642,846 | 2,888,083 |
| Net section 1231 gain (loss) | 169,938,190 | 3,703,949 | 7,865,846 | 1,312,113 | 718,423 | 897,458 |
| Other income (loss) | 222,849,313 | 199,752 | 5,381,881 | 1,131,964 | 160,558 | 1,122,289 |
| Total deductions | 364,686,916 | 2,620,012 | 25,947,054 | 3,362,143 | 2,277,206 | 7,301,500 |
| Contributions | 7,005,442 | 110,445 | 36,397 | 15,623 | 234,140 | 400,165 |
| Section 179 deductions | 10,827,948 | 1,767,122 | 116,449 | 2,842 | 1,300,109 | 750,642 |
| Investment interest expense | 96,143,739 | 24,068 | 98,465 | * 58,148 | 67,098 | 157,670 |
| Foreign taxes | 14,874,800 | 12,823 | 2,597,708 | 30,213 | 5,790 | 1,388,058 |
| Qualified expenditures (section 59(e)) | 38,309,785 | 41,889 | 20,862,080 | * 41,177 | 15,275 | 1,285,372 |
| Other deductions | 197,525,201 | 663,664 | 2,235,954 | 3,214,139 | 654,794 | 3,319,592 |
| Total income (loss) minus total deductions | 1,379,805,026 | 5,656,823 | 774,471 | -16,353,502 | 20,044,385 | 65,476,903 |
| Income (loss) allocated to partners by type of partner [2]: | | | | | | |
| All partners | 1,376,952,866 | 5,522,026 | [d] | -16,353,502 | [d] | [d] |
| Corporate general partners | 115,738,067 | 108,315 | -5,773,026 | -117,880 | 1,713,710 | 23,804,212 |
| Corporate limited partners | 224,757,821 | 396,016 | 1,692,248 | -10,343,068 | 2,698,801 | 28,480,555 |
| Individual general partners | 90,558,804 | 2,439,173 | 147,910 | * -8,017 | 1,502,536 | 204,238 |
| Individual limited partners | 288,061,812 | 1,381,253 | 2,555,723 | 20,182 | 8,926,832 | 4,676,658 |
| Partnership general partners | 103,019,592 | 445,256 | -968,147 | -187,798 | 74,303 | 178,423 |
| Partnership limited partners | 329,750,736 | 372,874 | 2,401,246 | -4,287,069 | 3,879,725 | 4,956,458 |
| Tax-exempt organization partners (all) | 90,555,615 | 25,556 | [d] | -220,344 | [d] | [d] |
| Nominee and other general partners | 7,122,364 | * 111,678 | [d] | -370,326 | [d] | [d] |
| Nominee and other limited partners | 127,388,055 | 241,904 | 1,843,426 | -839,182 | 1,206,106 | 3,386,402 |

Footnotes at end of table.

Table 5. Partnerships with Income (Loss) Allocated to Partners, by Industrial Group, Tax Year 2016—Continued

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

| Item | Wholesale trade | Retail trade | Transportation and warehousing | Information | Finance and insurance | Real estate and rental and leasing | Professional, scientific, and technical services |
|--|-------------------|-------------------|--------------------------------|-------------------|-----------------------|------------------------------------|--|
| | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Number of partnerships [1] | 70,145 | 175,034 | 41,533 | 43,659 | 379,300 | 1,877,734 | 241,030 |
| Number of partners [1] | 721,889 | 816,043 | 2,489,276 | 177,481 | 7,403,812 | 8,366,525 | 839,758 |
| Total income (loss) | 24,078,666 | 15,600,577 | 18,558,946 | 72,055,252 | 959,981,346 | 270,980,884 | 128,985,036 |
| Ordinary business income (loss) | 14,499,780 | 9,623,976 | 6,398,084 | 56,180,896 | 64,820,835 | 12,272,621 | 95,874,536 |
| Net rental real estate income (loss) | 27,965 | 282,439 | 313,693 | -43,388 | -3,736,242 | 58,893,320 | -116,958 |
| Other net rental income (loss) | 65,147 | -83,996 | -45,835 | 599,828 | 931,304 | 2,955,259 | -231,318 |
| Interest income | 580,800 | 343,605 | 569,746 | 4,866,537 | 145,576,569 | 14,607,963 | 967,563 |
| Dividend income | 630,403 | 191,536 | 508,256 | 718,269 | 126,568,454 | 11,465,401 | 662,181 |
| Royalties | 98,745 | 29,339 | 38,860 | 1,609,034 | 6,987,097 | 5,826,404 | 595,047 |
| Net short-term capital gain (loss) | 7,020 | -2,383 | -807 | -412,667 | 15,283,515 | -64,149 | 190,294 |
| Net long-term capital gain (loss) | 1,793,452 | 1,247,915 | 1,773,830 | 2,951,788 | 362,840,547 | 38,116,652 | 4,285,064 |
| Guaranteed payments to partners | 2,358,810 | 2,305,732 | 784,822 | 2,360,718 | 24,642,292 | 5,081,361 | 25,038,326 |
| Net section 1231 gain (loss) | 3,814,854 | 1,077,876 | 6,904,218 | 1,250,159 | 28,845,671 | 104,371,591 | 822,887 |
| Other income (loss) | 201,691 | 584,538 | 1,314,080 | 1,974,077 | 187,221,304 | 17,454,461 | 897,415 |
| Total deductions | 3,181,631 | 1,748,152 | 5,347,645 | 9,975,861 | 238,290,836 | 32,907,318 | 11,169,772 |
| Contributions | 175,593 | 168,329 | 40,274 | [d] | 2,507,373 | 1,263,341 | 671,587 |
| Section 179 deductions | 466,683 | 523,305 | 470,432 | 87,106 | 565,544 | 1,194,713 | 987,646 |
| Investment interest expense | 43,504 | 1,763 | 185,483 | [d] | 88,242,898 | 4,185,584 | 183,920 |
| Foreign taxes | 312,649 | 145,110 | 80,595 | 797,336 | 6,722,587 | 796,384 | 1,141,705 |
| Qualified expenditures (section 59(e)) | 18,516 | * 2,116 | * 182,753 | 1,046,136 | 12,551,229 | 95,178 | 1,236,342 |
| Other deductions | 2,164,686 | 907,529 | 4,388,107 | 7,870,074 | 127,701,204 | 25,372,119 | 6,948,571 |
| Total income (loss) minus total deductions | 20,897,036 | 13,852,425 | 13,211,301 | 62,079,392 | 721,690,510 | 238,073,565 | 117,815,265 |
| Income (loss) allocated to partners by type of partner [2]: | | | | | | | |
| All partners | [d] | [d] | [d] | [d] | 717,491,671 | 237,907,288 | [d] |
| Corporate general partners | 1,096,514 | 1,256,438 | 1,269,752 | 28,430,630 | 32,066,368 | 20,229,245 | 5,158,868 |
| Corporate limited partners | 7,913,388 | 2,671,002 | 1,895,730 | 16,495,311 | 121,983,704 | 21,379,811 | 4,676,108 |
| Individual general partners | 265,001 | 1,522,110 | 594,084 | 230,848 | 10,544,930 | 14,456,676 | 52,144,850 |
| Individual limited partners | 5,893,918 | 5,612,992 | -1,858,185 | 2,813,599 | 105,050,084 | 70,792,809 | 49,288,039 |
| Partnership general partners | 334,384 | 52,727 | 2,924,007 | 8,997,883 | 74,159,019 | 10,802,428 | 3,288,419 |
| Partnership limited partners | 4,728,731 | 2,017,830 | 8,942,920 | 4,974,263 | 217,609,695 | 53,398,699 | 1,714,568 |
| Tax-exempt organization partners (all) | [d] | [d] | [d] | [d] | 76,386,252 | 12,233,387 | [d] |
| Nominee and other general partners | [d] | [d] | [d] | [d] | 3,611,832 | 3,855,147 | [d] |
| Nominee and other limited partners | 761,338 | 554,492 | 135,244 | 1,882,554 | 76,079,787 | 30,759,086 | 1,140,275 |

Footnotes at end of table.

Table 5. Partnerships with Income (Loss) Allocated to Partners, by Industrial Group, Tax Year 2016—Continued

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

| Item | Management of companies (holding companies) | Administrative and support and waste management and remediation services | Health care and social assistance | Arts, entertainment, and recreation | Accommodation and food services | Educational and other services [3] | Nature of business not allocable |
|--|---|--|-----------------------------------|-------------------------------------|---------------------------------|------------------------------------|----------------------------------|
| | (14) | (15) | (16) | (17) | (18) | (19) | (20) |
| Number of partnerships [1] | 28,730 | 60,570 | 82,907 | 47,927 | 157,820 | 131,625 | 0 |
| Number of partners [1] | 1,378,134 | 157,177 | 374,186 | 246,527 | 572,092 | 429,905 | 0 |
| Total income (loss) | 56,692,779 | 8,170,939 | 49,641,613 | 8,119,526 | 11,809,424 | 2,709,958 | 0 |
| Ordinary business income (loss) | 3,867,637 | 5,032,303 | 34,466,671 | 2,256,288 | 5,235,969 | 1,308,656 | 0 |
| Net rental real estate income (loss) | 1,728 | 67,235 | 68,535 | 13,503 | 109,869 | 52,387 | 0 |
| Other net rental income (loss) | -27,724 | -264 | 104,188 | 15,221 | 3,661 | * 69,067 | 0 |
| Interest income | 5,374,631 | 349,324 | 576,178 | 214,321 | 364,203 | 59,929 | 0 |
| Dividend income | 10,483,915 | [d] | 34,372 | 280,994 | [d] | 227,804 | 0 |
| Royalties | 1,226,839 | [d] | [d] | 186,889 | [d] | [d] | 0 |
| Net short-term capital gain (loss) | 1,561,355 | [d] | [d] | 5,363 | 34,962 | [d] | 0 |
| Net long-term capital gain (loss) | 25,271,532 | 809,745 | 1,807,637 | 3,896,070 | 1,781,585 | 252,171 | 0 |
| Guaranteed payments to partners | 2,363,643 | 1,210,833 | 8,867,178 | 1,033,305 | 1,021,593 | 790,292 | 0 |
| Net section 1231 gain (loss) | 2,341,911 | 250,328 | 3,567,859 | 41,344 | 2,301,059 | -149,355 | 0 |
| Other income (loss) | 4,227,312 | 9,063 | 146,278 | 176,227 | 547,135 | 99,288 | 0 |
| Total deductions | 10,391,449 | 1,523,564 | 4,664,430 | 1,594,079 | 1,777,103 | 607,162 | 0 |
| Contributions | 544,561 | 90,729 | 273,157 | 197,245 | [d] | [d] | 0 |
| Section 179 deductions | 153,874 | 405,068 | 690,952 | 292,434 | 876,802 | 176,226 | 0 |
| Investment interest expense | 2,597,937 | 181,184 | 3,745 | 31,655 | [d] | 0 | 0 |
| Foreign taxes | 523,334 | 87,109 | 268 | 125,065 | 9,048 | * 99,017 | 0 |
| Qualified expenditures (section 59(e)) | 742,915 | * 4,708 | * 2,855 | 179,129 | [d] | [d] | 0 |
| Other deductions | 5,828,827 | 754,767 | 3,693,452 | 768,551 | 761,602 | 277,569 | 0 |
| Total income (loss) minus total deductions | 46,301,330 | 6,647,374 | 44,977,183 | 6,525,447 | 10,032,321 | 2,102,796 | 0 |
| Income (loss) allocated to partners by type of partner [2]: | | | | | | | |
| All partners | 46,312,595 | 6,612,013 | 44,977,183 | [d] | [d] | 1,866,056 | 0 |
| Corporate general partners | 1,654,842 | 115,714 | 3,669,895 | 590,549 | 431,010 | 32,911 | 0 |
| Corporate limited partners | 7,619,492 | 2,730,106 | 8,320,622 | 4,273,865 | 1,776,105 | 98,027 | 0 |
| Individual general partners | 718,277 | 1,077,519 | 4,110,069 | -164,139 | 617,126 | 155,613 | 0 |
| Individual limited partners | 6,964,614 | 2,613,081 | 17,979,409 | 266,579 | 3,428,913 | 1,655,312 | 0 |
| Partnership general partners | 1,089,595 | 106,932 | 453,817 | 724,573 | 543,683 | * 87 | 0 |
| Partnership limited partners | 20,130,381 | -253,356 | 6,107,615 | 750,111 | 2,445,146 | -139,101 | 0 |
| Tax-exempt organization partners (all) | -183,867 | [d] | 2,932,768 | * -138,705 | 143,657 | [d] | 0 |
| Nominee and other general partners | 608,850 | [d] | 169,153 | [d] | [d] | [d] | 0 |
| Nominee and other limited partners | 7,710,411 | 177,425 | 1,233,836 | 305,012 | 742,990 | 66,947 | 0 |

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

[d] In order to avoid disclosure for specific partnerships, these data are not shown. However, they are included in the appropriate totals.

[1] The number of partnerships and partners includes the 11,345 partnerships that did not report any income (loss) allocated to partners for 2016.

[2] Total income (loss) minus total deductions available for allocation does not equal income (loss) allocated to partners by type of partner because not all partnerships reported their allocations.

[3] The Educational and other services sectors were combined to prevent disclosure due to the small numbers of returns sampled in certain sectors.

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

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

Table 6. Domestic Limited Liability Companies (LLCs): Selected Items by Industrial Group, Tax Year 2016

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

| Item | All industries | Agriculture, forestry, fishing, and hunting | Mining | Utilities | Construction |
|--|------------------|---|---------------|--------------|----------------|
| | (1) | (2) | (3) | (4) | (5) |
| Number of LLCs | 2,617,484 | 76,681 | 13,792 | 5,336 | 127,417 |
| Number of partners | 11,243,080 | 256,589 | 521,233 | 56,936 | 413,597 |
| Total assets | 11,275,292,912 | 155,796,216 | 281,670,070 | 380,864,901 | 184,321,866 |
| Total income | 3,431,902,535 | 30,909,003 | 71,258,351 | 111,220,747 | 226,966,581 |
| Total deductions | 3,318,925,000 | 33,686,036 | 69,970,368 | 126,766,491 | 215,415,355 |
| Ordinary business income (loss) | 112,977,535 | -2,777,033 | 1,287,983 | -15,545,744 | 11,551,226 |
| Portfolio income (loss) distributed directly to partners | 244,891,005 | 1,995,940 | 4,511,409 | 258,735 | 854,082 |
| Interest income | 54,997,385 | 565,522 | 366,943 | 155,712 | 223,836 |
| Dividend income | 40,738,611 | 436,564 | 116,447 | [d] | 24,150 |
| Royalties | 9,337,413 | 211,321 | 908,207 | [d] | * 19 |
| Net short-term capital gain (loss) | 4,067,671 | -24,928 | 630,561 | [d] | -21,254 |
| Net long-term capital gain (loss) | 135,749,925 | 807,462 | 2,489,250 | -41,390 | 627,331 |
| Net rental real estate income (loss) | 24,398,293 | 512,371 | 32,283 | 947 | 136,016 |
| Other net rental income (loss) | 2,124,339 | 44,685 | 291,784 | -1,053,023 | -2,598 |
| Total net income (loss) [1] | 244,573,577 | -1,006,570 | 3,003,646 | -16,300,877 | 11,932,649 |

| Item | Manufacturing | Wholesale trade | Retail trade | Transportation and warehousing | Information |
|--|---------------|-----------------|----------------|--------------------------------|---------------|
| | (6) | (7) | (8) | (9) | (10) |
| Number of LLCs | 54,395 | 51,327 | 113,915 | 27,940 | 29,700 |
| Number of partners | 387,601 | 142,229 | 382,139 | 84,727 | 136,355 |
| Total assets | 515,162,018 | 223,097,202 | 150,561,074 | 198,455,606 | 668,263,329 |
| Total income | 525,495,759 | 440,257,635 | 402,563,790 | 101,741,142 | 229,905,796 |
| Total deductions | 511,514,933 | 428,967,959 | 396,447,895 | 100,820,110 | 217,242,752 |
| Ordinary business income (loss) | 13,980,826 | 11,289,676 | 6,115,895 | 921,032 | 12,663,044 |
| Portfolio income (loss) distributed directly to partners | 10,493,263 | 2,133,645 | 898,343 | 955,499 | 5,517,708 |
| Interest income | 1,168,938 | 256,727 | 153,235 | 157,403 | 2,863,372 |
| Dividend income | 1,812,585 | 443,566 | 110,831 | [d] | 627,172 |
| Royalties | 3,191,405 | 82,887 | 26,159 | [d] | 623,436 |
| Net short-term capital gain (loss) | 143,893 | 8,638 | -1,922 | * -351 | -411,564 |
| Net long-term capital gain (loss) | 4,176,443 | 1,341,827 | 610,040 | 752,565 | 1,815,293 |
| Net rental real estate income (loss) | 53,956 | [d] | 125,650 | 83,404 | -61,500 |
| Other net rental income (loss) | 131,554 | [d] | -134,765 | -43,857 | 670,000 |
| Total net income (loss) [1] | 20,339,263 | 12,067,460 | 6,397,004 | 1,163,864 | 17,385,523 |

Footnotes at end of table.

Table 6. Domestic Limited Liability Companies (LLCs): Selected Items by Industrial Group, Tax Year 2016—Continued

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

| Item | Finance and insurance | Real estate and rental and leasing | Professional, scientific, and technical services | Management of companies (holding companies) | Administrative and support and waste management and remediation services |
|--|-----------------------|------------------------------------|--|---|--|
| | (11) | (12) | (13) | (14) | (15) |
| Number of LLCs | 214,662 | 1,361,722 | 156,935 | 18,869 | 44,869 |
| Number of partners | 1,785,711 | 5,183,675 | 494,509 | 215,480 | 121,172 |
| Total assets | 3,465,488,069 | 3,731,661,939 | 172,680,882 | 544,141,153 | 77,232,843 |
| Total income | 253,031,336 | 162,736,173 | 227,932,237 | 31,914,657 | 99,287,533 |
| Total deductions | 228,613,599 | 159,301,500 | 210,759,352 | 31,575,205 | 96,039,696 |
| Ordinary business income (loss) | 24,417,737 | 3,434,673 | 17,172,884 | 339,452 | 3,247,837 |
| Portfolio income (loss) distributed directly to partners | 144,789,337 | 26,137,852 | 4,859,765 | 31,868,503 | 1,039,536 |
| Interest income | 36,170,534 | 7,393,081 | 649,515 | 3,934,786 | 177,179 |
| Dividend income | 28,641,854 | 2,404,716 | 191,275 | 5,373,552 | 71,366 |
| Royalties | 1,554,025 | 1,525,123 | 159,477 | 779,974 | * 5,456 |
| Net short-term capital gain (loss) | 1,885,304 | 51,459 | 237,727 | 1,527,128 | 588 |
| Net long-term capital gain (loss) | 76,537,620 | 14,763,474 | 3,621,770 | 20,253,064 | 784,947 |
| Net rental real estate income (loss) | -1,432,319 | 25,316,810 | -184,559 | -512,733 | 42,337 |
| Other net rental income (loss) | -117,191 | 2,430,875 | -237,289 | -22,014 | * 8,592 |
| Total net income (loss) [1] | 89,234,640 | 42,505,277 | 17,751,303 | 9,893,017 | 3,552,766 |

| Item | Health care and social assistance | Arts, entertainment, and recreation | Accommodation and food services | Educational and other services [2] | Nature of business not allocable |
|--|-----------------------------------|-------------------------------------|---------------------------------|------------------------------------|----------------------------------|
| | (16) | (17) | (18) | (19) | (20) |
| Number of LLCs | 67,581 | 36,255 | 113,673 | 102,414 | 0 |
| Number of partners | 260,173 | 115,098 | 431,231 | 254,625 | 0 |
| Total assets | 157,080,144 | 110,645,630 | 228,653,743 | 29,516,225 | 0 |
| Total income | 232,719,545 | 67,134,451 | 177,934,487 | 38,893,312 | 0 |
| Total deductions | 211,283,550 | 66,785,877 | 175,618,913 | 38,115,407 | 0 |
| Ordinary business income (loss) | 21,435,995 | 348,574 | 2,315,574 | 777,905 | 0 |
| Portfolio income (loss) distributed directly to partners | 2,116,331 | 4,414,055 | 1,737,044 | 309,956 | 0 |
| Interest income | 329,315 | 148,940 | 235,306 | 47,041 | 0 |
| Dividend income | [d] | 223,416 | 33,620 | [d] | 0 |
| Royalties | [d] | 179,592 | * 86,635 | [d] | 0 |
| Net short-term capital gain (loss) | 370 | 1,917 | 39,125 | [d] | 0 |
| Net long-term capital gain (loss) | 1,757,960 | 3,860,190 | 1,342,359 | 249,720 | 0 |
| Net rental real estate income (loss) | 106,546 | 4,268 | 149,438 | [d] | 0 |
| Other net rental income (loss) | 88,918 | 10,478 | * 2,676 | [d] | 0 |
| Total net income (loss) [1] | 21,989,460 | 915,267 | 2,823,249 | 926,634 | 0 |

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

[d] In order to avoid disclosure of information for specific partnerships, these data are not shown. However, they are included in the appropriate totals.

[1] Total net income (loss) is the sum of ordinary business income (loss), interest income, dividend income, royalties, net rental real estate income (loss), and other net rental income (loss).

For more information on Total net income (loss), see the Explanation of Selected Terms at the end of the article text.

[2] The Educational and Other services sectors were combined to prevent disclosure due to the small number of returns sampled in certain sectors.

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

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

Table 7. All Partnerships: Total Receipts by Industrial Group, Tax Year 2016

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

| Item | All industries | Agriculture, forestry, fishing, and hunting | Mining | Utilities | Construction |
|---|----------------------|---|--------------------|--------------------|--------------------|
| | (1) | (2) | (3) | (4) | (5) |
| Total receipts | 6,979,300,922 | 55,123,465 | 160,200,552 | 170,105,337 | 332,867,505 |
| Income from trade or business | 5,336,204,494 | 46,783,818 | 134,565,141 | 166,444,110 | 329,225,799 |
| Business receipts | 4,918,666,446 | 35,086,969 | 115,723,970 | 159,106,513 | 322,358,650 |
| Ordinary income from other partnerships and fiduciaries | 146,568,309 | 1,341,910 | 3,992,023 | 4,343,991 | 2,064,053 |
| Net gain, noncapital assets | 29,404,062 | 1,022,342 | [d] | [d] | 637,718 |
| Other income from trade or business [1] | 241,565,677 | 9,332,597 | [d] | [d] | 4,165,377 |
| Portfolio income | 1,004,087,172 | 3,294,038 | 8,142,472 | 847,356 | 1,836,819 |
| Interest income | 181,106,456 | 638,627 | 722,436 | 329,153 | 413,308 |
| Dividend income | 166,780,363 | 718,366 | 331,345 | 142,992 | 29,790 |
| Royalties | 27,998,219 | 279,430 | 2,881,811 | * 1,482 | 5,395 |
| Net short-term capital gain | 66,160,530 | 6,224 | 763,766 | * 12,857 | 9,456 |
| Net long-term capital gain | 562,041,604 | 1,651,391 | 3,443,115 | 360,873 | 1,378,871 |
| Net section 1231 gain | 189,674,629 | 3,819,924 | 11,545,538 | [d] | 896,896 |
| Other income | 275,852,150 | 216,557 | 5,479,347 | 1,199,036 | 201,648 |
| Real estate rental net income | 162,916,110 | 899,740 | 158,861 | [d] | 704,757 |
| Other rental net income | 10,566,367 | 109,388 | 309,192 | 34,683 | 1,586 |

| Item | Manufacturing | Wholesale trade | Retail trade | Transportation and warehousing | Information |
|---|--------------------|--------------------|--------------------|--------------------------------|--------------------|
| | (6) | (7) | (8) | (9) | (10) |
| Total receipts | 906,701,517 | 639,745,196 | 561,961,405 | 226,629,344 | 413,013,887 |
| Income from trade or business | 872,170,344 | 631,839,382 | 556,735,528 | 213,401,615 | 397,763,291 |
| Business receipts | 851,254,059 | 624,463,892 | 542,044,168 | 200,953,131 | 371,352,717 |
| Ordinary income from other partnerships and fiduciaries | 4,457,208 | 1,785,311 | 1,126,196 | 4,047,515 | 18,975,759 |
| Net gain, noncapital assets | 1,323,264 | [d] | 358,767 | [d] | 715,178 |
| Other income from trade or business [1] | 15,135,813 | [d] | 13,206,397 | [d] | 6,719,637 |
| Portfolio income | 30,596,271 | 3,464,864 | 2,316,756 | 2,991,265 | 10,635,975 |
| Interest income | 4,551,564 | 580,800 | 343,605 | 569,746 | 4,866,537 |
| Dividend income | 13,509,307 | 630,403 | 191,536 | 508,256 | 718,269 |
| Royalties | 7,650,457 | 98,745 | 29,339 | 38,860 | 1,609,034 |
| Net short-term capital gain | 197,714 | 11,543 | 3,213 | * 30 | 186,259 |
| Net long-term capital gain | 4,687,229 | 2,143,373 | 1,749,062 | 1,874,373 | 3,255,875 |
| Net section 1231 gain | 1,810,185 | 3,983,818 | 1,898,013 | 7,966,810 | 1,562,949 |
| Other income | 1,648,609 | 263,072 | 604,656 | 1,842,709 | 2,007,262 |
| Real estate rental net income | 75,063 | 126,405 | 335,025 | 336,941 | 47,678 |
| Other rental net income | 401,046 | 67,655 | 71,427 | 90,005 | 996,733 |

Footnotes at end of table.

Table 7. All Partnerships: Total Receipts by Industrial Group, Tax Year 2016—Continued

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

| Item | Finance and insurance | Real estate and rental and leasing | Professional, scientific, and technical services | Management of companies (holding companies) | Administrative and support and waste management and remediation services |
|---|-----------------------|------------------------------------|--|---|--|
| | (11) | (12) | (13) | (14) | (15) |
| Total receipts | 1,469,534,032 | 594,392,348 | 513,251,917 | 103,665,538 | 128,681,198 |
| Income from trade or business | 407,405,214 | 222,288,194 | 503,244,986 | 43,927,258 | 126,569,944 |
| Business receipts | 243,396,159 | 183,014,213 | 486,819,443 | 21,958,110 | 116,710,857 |
| Ordinary income from other partnerships and fiduciaries | 55,540,642 | 17,324,605 | 6,838,865 | 15,195,507 | 943,455 |
| Net gain, noncapital assets | 7,275,152 | 5,049,626 | 454,044 | 627,419 | [d] |
| Other income from trade or business [1] | 101,193,261 | 16,899,750 | 9,132,634 | 6,146,223 | [d] |
| Portfolio income | 788,995,072 | 80,213,331 | 7,502,053 | 51,381,653 | 1,613,886 |
| Interest income | 145,576,569 | 14,607,963 | 967,563 | 5,374,631 | 349,324 |
| Dividend income | 126,568,454 | 11,465,401 | 662,181 | 10,483,915 | [d] |
| Royalties | 6,987,097 | 5,826,404 | 595,047 | 1,226,839 | [d] |
| Net short-term capital gain | 61,659,183 | 1,081,570 | 303,511 | 1,868,326 | 2,702 |
| Net long-term capital gain | 448,203,771 | 47,231,994 | 4,973,750 | 32,427,942 | 814,788 |
| Net section 1231 gain | 32,329,899 | 110,752,904 | 1,191,695 | 2,710,360 | 311,136 |
| Other income | 234,868,143 | 20,698,523 | 1,136,097 | 4,528,810 | 107,609 |
| Real estate rental net income | 4,074,751 | 154,143,710 | 157,386 | 1,014,683 | [d] |
| Other rental net income | 1,860,952 | 6,295,685 | 19,700 | 102,774 | [d] |

| Item | Health care and social assistance | Arts, entertainment, and recreation | Accommodation and food services | Educational and other services [2] | Nature of business not allocable |
|---|-----------------------------------|-------------------------------------|---------------------------------|------------------------------------|----------------------------------|
| | (16) | (17) | (18) | (19) | (20) |
| Total receipts | 320,088,362 | 95,562,037 | 240,461,532 | 47,315,749 | 0 |
| Income from trade or business | 313,270,142 | 90,505,374 | 233,617,850 | 46,446,504 | 0 |
| Business receipts | 293,430,889 | 78,871,040 | 227,118,942 | 45,002,723 | 0 |
| Ordinary income from other partnerships and fiduciaries | 3,227,393 | 3,124,686 | 1,973,913 | 265,279 | 0 |
| Net gain, noncapital assets | 296,842 | 116,635 | 890,737 | 73,580 | 0 |
| Other income from trade or business [1] | 16,315,017 | 8,393,012 | 3,634,258 | 1,104,922 | 0 |
| Portfolio income | 2,464,386 | 4,616,447 | 2,627,589 | 546,939 | 0 |
| Interest income | 576,178 | 214,321 | 364,203 | 59,929 | 0 |
| Dividend income | [d] | 280,994 | [d] | 227,804 | 0 |
| Royalties | [d] | 186,889 | [d] | [d] | 0 |
| Net short-term capital gain | [d] | 7,691 | 39,699 | [d] | 0 |
| Net long-term capital gain | 1,847,776 | 3,926,551 | 1,814,298 | 256,572 | 0 |
| Net section 1231 gain | 3,816,605 | 149,499 | 3,257,596 | [d] | 0 |
| Other income | 176,582 | 213,288 | 559,227 | 100,974 | 0 |
| Real estate rental net income | [d] | 61,642 | [d] | [d] | 0 |
| Other rental net income | [d] | 15,786 | [d] | * 69,067 | 0 |

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

[d] In order to avoid disclosure of information for specific partnerships, these data are not shown. However, they are included in the appropriate totals.

[1] Farm net profit was combined with other income to prevent disclosure due to the small number of returns sampled in certain sectors.

[2] The Educational and Other services sectors were combined to prevent disclosure due to the small number of returns sampled in certain sectors.

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

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

Table 8. Domestic General Partnerships, Limited Partnerships, and Limited Liability Companies: Selected Items, by Industrial Group, Tax Years 2015 and 2016

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

| Tax year, industrial group | Domestic general partnerships | | | Domestic limited partnerships | | | Domestic limited liability companies | | |
|--|-------------------------------|--------------------|-------------------------|-------------------------------|--------------------|-------------------------|---------------------------------------|--------------------|-------------------------|
| | Number of partnerships | Number of partners | Total net income (loss) | Number of partnerships | Number of partners | Total net income (loss) | Number of limited liability companies | Number of partners | Total net income (loss) |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| 2015 | | | | | | | | | |
| All industries | 582,338 | 2,075,203 | 90,821,808 | 406,996 | 11,939,490 | 244,012,235 | 2,515,073 | 10,797,553 | 247,542,021 |
| Agriculture, forestry, fishing, and hunting | 43,433 | 115,339 | 2,958,562 | 11,142 | 46,018 | 926,798 | 71,947 | 221,871 | 707,365 |
| Mining | 11,532 | 346,454 | -1,450,625 | 10,876 | 1,022,239 | 8,836,350 | 10,659 | 633,883 | 1,734,514 |
| Utilities | 116 | 846 | 218,345 | 359 | 118,341 | 1,736,567 | 3,944 | 23,250 | -9,735,191 |
| Construction | 30,558 | 70,211 | 1,759,615 | 8,243 | 22,910 | 3,076,474 | 114,883 | 325,840 | 9,705,025 |
| Manufacturing | 18,536 | 54,978 | 12,711,833 | 2,122 | 601,017 | 20,717,569 | 66,279 | 413,612 | 22,630,794 |
| Wholesale trade | 11,194 | 29,129 | 957,469 | 3,079 | 589,784 | 2,740,288 | 54,575 | 149,500 | 14,141,575 |
| Retail trade | 54,693 | 123,410 | 1,452,569 | 6,493 | 230,147 | 2,568,000 | 101,864 | 347,189 | 7,246,758 |
| Transportation and warehousing | 7,964 | 17,900 | 1,092,119 | 2,901 | 2,766,299 | 2,255,685 | 26,310 | 95,514 | 3,256,979 |
| Information | 13,284 | 34,992 | 28,417,320 | 1,140 | 5,179 | 17,452,329 | 40,609 | 156,637 | 12,373,564 |
| Finance and insurance | 34,557 | 225,358 | 16,604,905 | 83,824 | 2,808,975 | 119,512,395 | 211,477 | 1,849,071 | 84,596,501 |
| Securities, commodity contracts, and other financial investments and related activities | 30,000 | 191,983 | 8,299,065 | 69,580 | 2,612,544 | 105,633,951 | 150,518 | 1,511,035 | 67,217,778 |
| Securities and commodity contracts and exchanges | * 28 | * 62 | * -747,968 | 1,851 | 457,832 | 2,927,578 | 5,178 | 20,284 | 2,517,573 |
| Other financial investment activities | 29,972 | 191,921 | 9,047,034 | 67,729 | 2,154,712 | 102,706,373 | 145,340 | 1,490,750 | 64,700,205 |
| Funds, trusts, and other financial vehicles | 2,766 | 23,585 | 7,429,897 | 11,959 | 161,210 | 12,220,582 | 32,280 | 175,638 | 7,412,096 |
| Other finance and insurance | 1,791 | 9,790 | 875,942 | 2,285 | 35,220 | 1,657,862 | 28,680 | 162,398 | 9,966,627 |
| Real estate and rental and leasing | 229,776 | 743,858 | 12,148,787 | 240,719 | 2,016,873 | 45,932,341 | 1,295,386 | 4,705,514 | 39,045,743 |
| Real estate | 215,282 | 704,814 | 12,066,385 | 238,709 | 1,992,326 | 38,180,722 | 1,278,044 | 4,638,249 | 38,426,903 |
| Lessors of residential buildings and dwellings and cooperative housing | 63,653 | 179,226 | 2,875,498 | 96,916 | 769,666 | -3,292,939 | 435,521 | 1,560,602 | -4,275,694 |
| Lessors of nonresidential buildings (except miniwarehouses) | 86,969 | 262,685 | 7,100,451 | 83,043 | 584,471 | 30,981,717 | 511,500 | 1,817,392 | 31,778,150 |
| Lessors of miniwarehouses and self-storage units | * 1,093 | * 2,389 | * 181,683 | 2,366 | 26,006 | 1,560,714 | 13,511 | 37,889 | 1,512,353 |
| Lessors of other real estate property | 22,500 | 143,487 | 1,354,853 | 14,219 | 89,628 | 1,783,656 | 70,942 | 249,511 | 2,203,272 |
| Other real estate activities | 41,067 | 117,027 | 553,900 | 42,165 | 522,555 | 7,147,574 | 246,569 | 972,855 | 7,208,822 |
| Rental and leasing services and lessors of nonfinancial intangible assets (except copyrighted works) | 14,494 | 39,044 | 82,403 | 2,011 | 24,547 | 7,751,619 | 17,342 | 67,265 | 618,840 |
| Professional, scientific, and technical services | 33,313 | 76,872 | 5,283,483 | 5,473 | 55,683 | 4,067,929 | 172,493 | 531,708 | 16,284,730 |
| Management of companies (holding companies) | 247 | 1,440 | 1,860,092 | 11,811 | 1,190,232 | 4,365,969 | 18,530 | 181,106 | 10,618,694 |
| Administrative and support and waste management and remediation services | 10,020 | 21,936 | 554,609 | 2,042 | 5,532 | 1,490,223 | 40,342 | 127,787 | 3,652,749 |
| Health care and social assistance | 13,295 | 44,573 | 4,615,128 | 4,711 | 58,007 | 4,371,591 | 65,294 | 259,513 | 25,049,202 |
| Arts, entertainment, and recreation | 19,699 | 59,136 | 399,962 | 2,155 | 239,650 | 2,103,180 | 40,227 | 133,586 | 806,434 |
| Accommodation and food services | 27,110 | 61,675 | 965,089 | 7,960 | 57,628 | 1,650,986 | 103,770 | 449,099 | 3,881,159 |
| Educational and Other services [1] | 23,011 | 47,095 | 272,544 | 1,947 | 104,978 | 207,560 | 76,483 | 192,875 | 1,545,429 |
| Nature of business not allocable | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Footnotes at end of table.

Table 8. Domestic General Partnerships, Limited Partnerships, and Limited Liability Companies: Selected Items, by Industrial Group, Tax Years 2015 and 2016—Continued

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

| Tax year, industrial group | Domestic general partnerships | | | Domestic limited partnerships | | | Domestic limited liability companies | | |
|--|-------------------------------|--------------------|-------------------------|-------------------------------|--------------------|-------------------------|---------------------------------------|--------------------|-------------------------|
| | Number of partnerships | Number of partners | Total net income (loss) | Number of partnerships | Number of partners | Total net income (loss) | Number of limited liability companies | Number of partners | Total net income (loss) |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| 2016 | | | | | | | | | |
| All industries | 545,501 | 2,285,140 | 96,061,953 | 423,406 | 11,625,626 | 240,660,009 | 2,617,484 | 11,243,080 | 244,573,577 |
| Agriculture, forestry, fishing, and hunting | 39,277 | 95,403 | 1,667,195 | 14,357 | 58,364 | -115,022 | 76,681 | 256,589 | -1,006,570 |
| Mining | 13,713 | 617,109 | -919,005 | 12,729 | 1,091,021 | 5,043,585 | 13,792 | 521,233 | 3,003,646 |
| Utilities | 134 | 1,042 | 330,921 | 202 | 18,878 | 56,277 | 5,336 | 56,936 | -16,300,877 |
| Construction | 19,216 | 44,766 | 2,222,155 | 15,239 | 72,367 | 3,077,713 | 127,417 | 413,597 | 11,932,649 |
| Manufacturing | 12,682 | 59,364 | 21,196,188 | 2,048 | 413,175 | 10,948,059 | 54,395 | 387,601 | 20,339,263 |
| Wholesale trade | 14,040 | 36,624 | 670,012 | 3,249 | 538,654 | 2,679,063 | 51,327 | 142,229 | 12,067,460 |
| Retail trade | 43,337 | 100,199 | 1,562,633 | 7,634 | 311,433 | 2,100,140 | 113,915 | 382,139 | 6,397,004 |
| Transportation and warehousing | 8,079 | 17,432 | 570,327 | 3,178 | 2,336,387 | 4,703,922 | 27,940 | 84,727 | 1,163,864 |
| Information | 8,706 | 21,461 | 29,750,294 | 1,044 | 5,008 | 16,656,770 | 29,700 | 136,355 | 17,385,523 |
| Finance and insurance | 42,404 | 285,019 | 14,935,442 | 87,327 | 3,393,993 | 127,182,162 | 214,662 | 1,785,711 | 89,234,640 |
| Investments and related activities | 38,966 | 260,697 | 7,617,719 | 70,276 | 3,155,179 | 113,213,259 | 149,324 | 1,423,531 | 69,928,452 |
| Securities and commodity contracts and exchanges | * 550 | * 1,102 | * -393,822 | 1,015 | 492,538 | 1,637,839 | 5,988 | 34,556 | 2,786,752 |
| Other financial investment activities | 38,417 | 259,595 | 8,011,541 | 69,261 | 2,662,642 | 111,575,420 | 143,336 | 1,388,975 | 67,141,700 |
| Funds, trusts, and other financial vehicles | 2,479 | 18,631 | 6,685,354 | 14,127 | 206,803 | 12,873,751 | 24,818 | 164,453 | 7,794,504 |
| Other finance and insurance | 959 | 5,690 | 632,369 | 2,924 | 32,011 | 1,095,153 | 40,520 | 197,727 | 11,511,684 |
| Real estate and rental and leasing | 211,840 | 685,936 | 11,188,716 | 234,434 | 2,076,409 | 49,879,700 | 1,361,722 | 5,183,675 | 42,505,277 |
| Real estate | 200,760 | 661,714 | 10,646,830 | 226,033 | 2,032,105 | 39,884,233 | 1,341,074 | 5,104,454 | 42,954,705 |
| Lessors of residential buildings and dwellings and cooperative housing | 64,216 | 153,580 | 2,457,287 | 94,200 | 772,222 | -3,384,628 | 432,412 | 1,611,148 | -5,391,346 |
| Lessors of nonresidential buildings (except miniwarehouses) | 76,947 | 245,498 | 6,989,220 | 74,041 | 585,491 | 34,141,196 | 560,352 | 2,075,474 | 35,232,174 |
| Lessors of miniwarehouses and self-storage units | * 774 | * 1,547 | * 137,890 | 2,383 | 23,252 | 1,543,499 | 17,250 | 51,936 | 1,330,879 |
| Lessors of other real estate property | 21,223 | 144,615 | 1,141,017 | 11,275 | 78,572 | 1,268,670 | 59,489 | 229,820 | 3,110,393 |
| Other real estate activities | 37,600 | 116,473 | -78,585 | 44,135 | 572,568 | 6,315,495 | 271,570 | 1,136,076 | 8,672,605 |
| Rental and leasing services and lessors of nonfinancial intangible assets (except copyrighted works) | 11,080 | 24,222 | 541,885 | 8,402 | 44,305 | 9,995,467 | 20,649 | 79,220 | -449,427 |
| Professional, scientific, and technical services | 45,098 | 98,136 | 4,650,450 | 11,475 | 45,796 | 3,747,539 | 156,935 | 494,509 | 17,751,303 |
| Management of companies (holding companies) | 363 | 1,614 | 1,601,792 | 9,271 | 922,908 | 4,634,342 | 18,869 | 215,480 | 9,893,017 |
| Administrative and support and waste management and remediation services | 12,552 | 27,263 | 672,387 | 1,933 | 5,539 | 1,372,498 | 44,869 | 121,172 | 3,552,766 |
| Health care and social assistance | 7,247 | 36,299 | 4,569,254 | 4,735 | 59,148 | 4,318,950 | 67,581 | 260,173 | 21,989,460 |
| Arts, entertainment, and recreation | 10,050 | 31,590 | 47,163 | 928 | 95,483 | 1,858,537 | 36,255 | 115,098 | 915,267 |
| Accommodation and food services | 32,434 | 76,099 | 1,071,181 | 10,440 | 60,176 | 2,174,826 | 113,673 | 431,231 | 2,823,249 |
| Educational and Other services [1] | 24,328 | 49,784 | 274,849 | 3,184 | 120,887 | 340,949 | 102,414 | 254,625 | 926,634 |
| Nature of business not allocable | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

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

[1] The Educational and Other services sectors were combined to prevent disclosure due to the small number of returns sampled in certain sectors.

NOTES: Detail may not add to totals because of rounding. The sum of the number of partnerships for all three categories does not sum to the total number of partnerships in other tables because companies classified as limited liability partnerships (LLPs), foreign partnerships, and "other," or "no response" were not included in this table due to the small number of returns.

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

Table 9a. Numbers of Partnerships, by Type of Entity and Profit Status, Tax Years 2007–2016

[Numbers of partnerships are in thousands]

| Tax year | Total number of partnerships | Domestic general partnerships | | Domestic limited partnerships | | Domestic limited liability companies | | Domestic limited liability partnerships | | Foreign partnerships | | Other [1] | |
|----------|------------------------------|-------------------------------|------|-------------------------------|------|--------------------------------------|-------|---|------|----------------------|------|------------|------|
| | | Net income | Loss | Net income | Loss | Net income | Loss | Net income | Loss | Net income | Loss | Net income | Loss |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| 2007 | 3,096 | 450 | 244 | 252 | 174 | 873 | 946 | 60 | 50 | 6 | 2 | 17 | 23 |
| 2008 | 3,146 | 413 | 257 | 241 | 171 | 869 | 1,029 | 68 | 54 | 7 | 4 | 11 | 22 |
| 2009 | 3,169 | 390 | 234 | 221 | 176 | 912 | 1,057 | 60 | 58 | 7 | 5 | 18 | 30 |
| 2010 | 3,248 | 339 | 251 | 209 | 166 | 980 | 1,110 | 82 | 60 | 8 | 5 | 16 | 22 |
| 2011 | 3,285 | 341 | 245 | 235 | 159 | 1,045 | 1,066 | 87 | 61 | 7 | 7 | 10 | 22 |
| 2012 | 3,389 | 350 | 233 | 253 | 154 | 1,162 | 1,050 | 85 | 44 | 7 | 9 | 12 | 31 |
| 2013 | 3,461 | 366 | 197 | 263 | 153 | 1,199 | 1,087 | 80 | 54 | 12 | 3 | 25 | 23 |
| 2014 | 3,613 | 351 | 224 | 247 | 167 | 1,307 | 1,126 | 81 | 59 | 10 | 7 | 23 | 11 |
| 2015 | 3,715 | 387 | 195 | 256 | 151 | 1,395 | 1,120 | 81 | 56 | 12 | 19 | 21 | 22 |
| 2016 | 3,763 | 376 | 169 | 255 | 168 | 1,464 | 1,153 | 80 | 44 | 12 | 18 | 9 | 15 |

[1] Other partnerships are those which checked the "other" box, Form 1065, Schedule B, line 1, Type of Entity, or did not check a box.

NOTES: Detail may not add to totals because of rounding. Domestic limited liability companies, domestic limited liability partnerships, and foreign partnerships are discussed in the Explanation of Selected Terms section. Net income or loss refers to "total net income or loss." Breakeven returns are included in the "loss" columns.

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

Table 9b. Partnership Total Net Income or Loss, by Type of Entity and Profit Status, Tax Years 2007–2016

[Money amounts are in billions of dollars]

| Tax year | Total net income (loss) | Domestic general partnerships | | Domestic limited partnerships | | Domestic limited liability companies | | Domestic limited liability partnerships | | Foreign partnerships | | Other [1] | |
|----------|-------------------------|-------------------------------|------|-------------------------------|------|--------------------------------------|-------|---|------|----------------------|------|------------|------|
| | | Net income | Loss | Net income | Loss | Net income | Loss | Net income | Loss | Net income | Loss | Net income | Loss |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| 2007 | 683.4 | 118.0 | 21.0 | 278.8 | 68.1 | 383.4 | 191.3 | 63.8 | 4.9 | 80.0 | 4.0 | 51.9 | 3.2 |
| 2008 | 458.2 | 105.8 | 25.3 | 276.8 | 98.5 | 359.9 | 305.2 | 64.5 | 8.0 | 80.6 | 25.6 | 41.7 | 8.5 |
| 2009 | 409.9 | 89.5 | 27.4 | 238.4 | 99.1 | 323.3 | 234.4 | 58.8 | 4.8 | 60.1 | 16.6 | 25.9 | 3.7 |
| 2010 | 593.7 | 94.4 | 18.7 | 272.5 | 77.9 | 359.3 | 201.8 | 65.2 | 5.2 | 87.2 | 3.8 | 25.8 | 3.2 |
| 2011 | 580.9 | 94.5 | 21.2 | 274.3 | 85.9 | 360.3 | 210.7 | 66.0 | 5.6 | 91.8 | 5.3 | 26.2 | 3.5 |
| 2012 | 777.9 | 113.0 | 17.7 | 326.6 | 66.7 | 436.3 | 193.9 | 74.3 | 3.6 | 89.9 | 4.3 | 27.9 | 4.0 |
| 2013 | 768.8 | 106.8 | 18.3 | 318.5 | 69.6 | 452.5 | 210.6 | 72.6 | 4.1 | 103.2 | 4.3 | 25.9 | 3.9 |
| 2014 | 837.4 | 108.1 | 18.4 | 344.7 | 74.7 | 490.5 | 212.6 | 78.1 | 5.0 | 103.0 | 4.2 | 31.7 | 3.8 |
| 2015 | 780.5 | 108.0 | 17.1 | 323.8 | 79.8 | 492.5 | 245.0 | 83.0 | 4.8 | 102.4 | 5.8 | 27.8 | 4.5 |
| 2016 | 791.7 | 111.7 | 15.6 | 319.0 | 78.4 | 516.7 | 272.1 | 84.4 | 5.3 | 110.4 | 6.5 | 31.1 | 3.7 |

[1] Other partnerships are those which checked the "other" box, Form 1065, Schedule B, line 1, Type of Entity, or did not check a box.

NOTES: Detail may not add to totals because of rounding. Domestic limited liability companies, domestic limited liability partnerships, and foreign partnerships are discussed in the Explanation of Selected Terms section. Net income or loss refers to "total net income or loss." Breakeven returns are included in the "loss" columns.

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

Table 9c. Numbers of Partners, by Type of Entity and Profit Status, Tax Years 2007–2016

[Numbers of partners are in thousands]

| Tax year | Total number of partners | Domestic general partnerships | | Domestic limited partnerships | | Domestic limited liability companies | | Domestic limited liability partnerships | | Foreign partnerships | | Other [1] | |
|----------|--------------------------|-------------------------------|------|-------------------------------|-------|--------------------------------------|-------|---|------|----------------------|------|------------|------|
| | | Net income | Loss | Net income | Loss | Net income | Loss | Net income | Loss | Net income | Loss | Net income | Loss |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| 2007 | 18,516 | 1,674 | 866 | 5,881 | 1,636 | 3,643 | 3,442 | 316 | 172 | 163 | 133 | 530 | 60 |
| 2008 | 19,300 | 1,706 | 917 | 4,997 | 2,058 | 3,671 | 3,853 | 333 | 205 | 392 | 145 | 854 | 169 |
| 2009 | 21,142 | 1,509 | 717 | 4,651 | 3,363 | 4,110 | 4,126 | 302 | 179 | 309 | 139 | 1,646 | 92 |
| 2010 | 22,428 | 1,400 | 775 | 5,730 | 3,132 | 4,394 | 4,008 | 357 | 185 | 292 | 327 | 1,749 | 80 |
| 2011 | 24,390 | 1,198 | 693 | 5,668 | 4,394 | 4,725 | 3,978 | 375 | 214 | 392 | 448 | 2,204 | 101 |
| 2012 | 25,334 | 1,500 | 686 | 6,804 | 3,949 | 5,283 | 3,955 | 383 | 138 | 440 | 112 | 1,952 | 129 |
| 2013 | 27,491 | 1,388 | 677 | 7,737 | 4,697 | 5,455 | 4,272 | 492 | 158 | 611 | 140 | 1,780 | 83 |
| 2014 | 27,714 | 1,631 | 833 | 8,301 | 3,949 | 5,942 | 4,261 | 478 | 186 | 565 | 133 | 1,382 | 54 |
| 2015 | 27,093 | 1,559 | 516 | 6,942 | 4,998 | 6,227 | 4,571 | 500 | 168 | 490 | 114 | 900 | 109 |
| 2016 | 28,164 | 1,756 | 529 | 6,823 | 4,803 | 6,359 | 4,884 | 399 | 226 | 815 | 176 | 1,315 | 80 |

[1] Other partnerships are those which checked the "other" box, Form 1065, Schedule B, line 1, Type of Entity, or did not check a box.

NOTES: Detail may not add to totals because of rounding. Domestic limited liability companies, domestic limited liability partnerships, and foreign partnerships are discussed in the Explanation of Selected Terms section. Net income or loss refers to "total net income or loss." Breakeven returns are included in the "loss" columns.

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

Table 10. All Partnerships: Total Assets, Trade or Business Income and Deductions, Portfolio Income, Rental Income, and Total Net Income (Loss), by Industrial Group, Tax Year 2016

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

| Item | All industries | Agriculture, forestry, fishing, and hunting | Mining | Utilities | Construction | Manufacturing |
|---|-----------------------|---|--------------------|--------------------|--------------------|--------------------|
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Number of partnerships | 3,763,117 | 136,664 | 41,670 | 5,681 | 169,887 | 71,201 |
| Number of partners | 28,163,819 | 460,571 | 2,233,049 | 76,971 | 550,182 | 870,241 |
| Total assets | 28,950,043,266 | 253,783,163 | 563,148,057 | 443,437,021 | 256,783,338 | 899,687,492 |
| Income and deductions from a trade or business: | | | | | | |
| Total income | 5,336,204,494 | 46,783,818 | 134,565,141 | 166,444,110 | 329,225,799 | 872,170,344 |
| Business receipts | 4,918,666,446 | 35,086,969 | 115,723,970 | 159,106,513 | 322,358,650 | 851,254,059 |
| Ordinary income from other partnerships and fiduciaries | 146,568,309 | 1,341,910 | 3,992,023 | 4,343,991 | 2,064,053 | 4,457,208 |
| Net gain, noncapital assets | 29,404,062 | 1,022,342 | [d] | [d] | 637,718 | 1,323,264 |
| Other income [1] | 241,565,677 | 9,332,597 | [d] | [d] | 4,165,377 | 15,135,813 |
| Total deductions | 4,981,480,470 | 48,411,886 | 129,064,110 | 181,694,185 | 311,953,317 | 835,179,942 |
| Cost of goods sold | 2,660,228,603 | 23,578,961 | 50,077,095 | 128,340,738 | 260,357,209 | 664,837,523 |
| Inventory, beginning of year | 299,870,537 | 3,868,450 | 4,401,209 | 4,149,468 | 35,920,641 | 82,595,379 |
| Purchases | 1,852,866,663 | 16,512,357 | 8,213,072 | 100,011,289 | 73,929,265 | 506,100,020 |
| Cost of labor | 157,223,744 | 1,519,442 | 4,299,599 | 549,494 | 28,393,246 | 37,321,035 |
| Additional inventory costs (section 263A) | 14,587,234 | 565,628 | 148,820 | 26,494 | 2,964,730 | 2,303,210 |
| Other costs | 659,888,290 | 6,223,875 | 36,865,709 | 30,474,236 | 156,927,397 | 123,205,663 |
| Less: Inventory, end of year | 324,207,866 | 5,110,791 | 3,851,314 | 6,870,243 | 37,778,070 | 86,687,783 |
| Salaries and wages | 606,596,550 | 2,758,679 | 5,538,142 | 1,683,427 | 14,228,653 | 37,481,348 |
| Guaranteed payments to partners | 70,245,218 | 1,650,444 | 307,764 | 164,055 | 2,580,677 | 2,752,238 |
| Rent paid | 103,980,661 | 552,976 | 776,982 | 1,189,330 | 1,547,147 | 4,899,212 |
| Interest paid | 96,809,736 | 599,814 | 7,646,159 | 6,039,995 | 1,865,253 | 8,891,678 |
| Taxes and licenses | 89,132,302 | 555,384 | 3,248,902 | 1,813,609 | 2,182,700 | 12,370,866 |
| Bad debts | 19,099,278 | 20,573 | 247,053 | 84,141 | 170,226 | 481,939 |
| Repairs and maintenance | 34,121,685 | 683,559 | 822,138 | 1,893,802 | 832,922 | 3,834,352 |
| Depreciation | 187,450,186 | 1,356,374 | 18,213,067 | 21,621,763 | 2,901,164 | 12,737,058 |
| Retirement plans, etc. | 14,934,684 | 34,669 | 76,885 | [d] | 331,743 | 2,039,182 |
| Employee benefit programs | 45,534,595 | 187,807 | 564,019 | 190,219 | 958,693 | 6,469,269 |
| Ordinary loss from other partnerships and fiduciaries | 81,516,396 | 726,090 | 3,433,203 | 4,167,572 | 392,695 | 2,110,047 |
| Net loss, noncapital assets | 5,514,782 | 73,800 | 978,018 | 15,685 | [d] | 183,085 |
| Other deductions [2] | 966,315,795 | 15,632,755 | 37,134,684 | [d] | [d] | 76,092,146 |
| Ordinary business income (loss) | 354,724,024 | -1,628,068 | 5,501,031 | -15,250,076 | 17,272,482 | 36,990,403 |
| Net income | 665,512,286 | 9,874,523 | 28,175,286 | 8,806,656 | 24,340,887 | 62,876,702 |
| Loss | 310,788,263 | 11,502,591 | 22,674,255 | 24,056,732 | 7,068,405 | 25,886,299 |
| Portfolio income (loss) distributed directly to partners | 850,020,729 | 3,115,870 | 7,279,885 | 676,789 | 1,419,937 | 30,422,353 |
| Interest income | 181,106,456 | 638,627 | 722,436 | 329,153 | 413,308 | 4,551,564 |
| Dividend income | 166,780,363 | 718,366 | 331,345 | 142,992 | 29,790 | 13,509,307 |
| Royalties | 27,998,219 | 279,430 | 2,881,811 | *1,482 | 5,395 | 7,650,457 |
| Net short-term capital gain (loss) | 17,331,887 | -43,092 | 675,939 | 12,566 | -22,123 | 110,268 |
| Net long-term capital gain (loss) | 456,803,804 | 1,522,538 | 2,668,355 | 190,597 | 993,568 | 4,600,757 |
| Net rental real estate income (loss) | 57,012,446 | 843,576 | 58,056 | 2,165 | 109,858 | 64,707 |
| Net income | 162,916,110 | 899,740 | 158,861 | [d] | 704,757 | 75,063 |
| Loss | 105,903,665 | 56,164 | 100,805 | [d] | 594,899 | 10,356 |
| Other net rental income (loss) | 4,082,134 | 109,004 | 300,792 | *1,072,799 | -2,512 | 393,111 |
| Total net income (loss) [3] | 791,703,641 | 960,935 | 9,795,470 | -15,847,084 | 17,828,319 | 63,159,547 |
| Net income | 1,173,305,066 | 11,703,633 | 31,810,903 | 8,963,269 | 25,046,980 | 84,993,176 |
| Loss | 381,601,426 | 10,742,699 | 22,015,433 | 24,810,353 | 7,218,661 | 21,833,628 |

Footnotes at end of table.

Table 10. All Partnerships: Total Assets, Trade or Business Income and Deductions, Portfolio Income, Rental Income, and Total Net Income (Loss), by Industrial Group, Tax Year 2016—Continued

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

| Item | Wholesale trade | Retail trade | Transportation and warehousing | Information | Finance and insurance | Real estate and rental and leasing | Professional, scientific, and technical services |
|---|--------------------|--------------------|--------------------------------|--------------------|-----------------------|------------------------------------|--|
| | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| Number of partnerships | 70,145 | 175,034 | 41,533 | 43,659 | 379,300 | 1,877,734 | 241,030 |
| Number of partners | 721,889 | 816,043 | 2,489,276 | 177,481 | 7,403,812 | 8,366,525 | 839,758 |
| Total assets | 343,039,521 | 223,551,474 | 791,594,193 | 974,975,659 | 15,638,617,618 | 6,571,438,695 | 336,801,255 |
| Income and deductions from a trade or business: | | | | | | | |
| Total income | 631,839,382 | 556,735,528 | 213,401,615 | 397,763,291 | 407,405,214 | 222,288,194 | 503,244,986 |
| Business receipts | 624,463,892 | 542,044,168 | 200,953,131 | 371,352,717 | 243,396,159 | 183,014,213 | 486,819,443 |
| Ordinary income from other partnerships and fiduciaries | 1,785,311 | 1,126,196 | 4,047,515 | 18,975,759 | 55,540,642 | 17,324,605 | 6,838,865 |
| Net gain, noncapital assets | [d] | 358,767 | [d] | 715,178 | 7,275,152 | 5,049,626 | 454,044 |
| Other income [1] | [d] | 13,206,397 | [d] | 6,719,637 | 101,193,261 | 16,899,750 | 9,132,634 |
| Total deductions | 617,339,602 | 547,111,552 | 207,003,531 | 341,582,395 | 342,584,378 | 210,015,573 | 407,370,450 |
| Cost of goods sold | 520,915,396 | 425,570,133 | 94,571,822 | 89,654,458 | 61,551,232 | 85,214,841 | 88,541,384 |
| Inventory, beginning of year | 53,026,521 | 65,143,335 | 4,319,674 | 6,494,399 | 3,994,347 | 27,079,167 | 1,950,333 |
| Purchases | 461,028,683 | 404,565,670 | 55,747,458 | 40,564,813 | 44,371,274 | 37,195,293 | 28,679,604 |
| Cost of labor | 5,240,770 | 4,844,800 | 5,278,583 | 1,454,442 | 956,898 | 3,450,992 | 20,148,481 |
| Additional inventory costs (section 263A) | 1,867,638 | 1,034,939 | 533,029 | 439,130 | 138,546 | 3,247,415 | 474,291 |
| Other costs | 59,204,592 | 19,242,562 | 33,841,063 | 45,765,879 | 17,306,516 | 44,031,403 | 39,315,252 |
| Less: Inventory, end of year | 59,452,809 | 69,261,172 | 5,147,985 | 5,064,206 | 5,216,349 | 29,789,430 | 2,026,578 |
| Salaries and wages | 28,860,865 | 41,172,296 | 13,539,217 | 31,185,615 | 78,672,126 | 22,415,537 | 129,170,163 |
| Guaranteed payments to partners | 2,359,610 | 2,292,874 | 799,501 | 2,378,314 | 12,783,003 | 2,529,447 | 25,084,509 |
| Rent paid | 4,422,715 | 11,106,839 | 3,572,982 | 11,279,116 | 6,229,647 | 4,370,307 | 16,807,702 |
| Interest paid | 4,932,796 | 3,462,604 | 8,565,575 | 11,228,714 | 14,321,367 | 7,316,308 | 3,172,287 |
| Taxes and licenses | 3,277,567 | 5,692,564 | 4,031,057 | 4,776,079 | 4,843,434 | 3,402,889 | 11,244,512 |
| Bad debts | 615,421 | 754,319 | 98,435 | 3,066,718 | 4,388,391 | 1,503,348 | 541,983 |
| Repairs and maintenance | 1,461,970 | 2,314,027 | 3,997,176 | 2,996,154 | 826,684 | 2,016,415 | 1,723,113 |
| Depreciation | 6,221,004 | 5,537,486 | 34,902,462 | 24,880,289 | 6,184,246 | 19,029,180 | 4,697,199 |
| Retirement plans, etc. | 681,096 | 785,076 | [d] | 1,061,193 | 1,377,552 | 241,283 | 5,278,905 |
| Employee benefit programs | 2,640,427 | 3,034,013 | 1,535,003 | 3,987,655 | 3,870,023 | 1,340,683 | 7,942,579 |
| Ordinary loss from other partnerships and fiduciaries | 414,594 | 437,966 | 1,822,709 | 1,523,454 | 37,756,117 | 12,225,504 | 1,610,505 |
| Net loss, noncapital assets | [d] | [d] | 296,605 | 405,197 | 1,205,521 | 950,521 | [d] |
| Other deductions [2] | [d] | [d] | [d] | 153,159,440 | 108,575,036 | 47,459,310 | [d] |
| Ordinary business income (loss) | 14,499,780 | 9,623,976 | 6,398,084 | 56,180,896 | 64,820,835 | 12,272,621 | 95,874,536 |
| Net income | 23,775,557 | 16,947,707 | 21,130,502 | 73,595,392 | 131,439,400 | 48,752,689 | 110,382,776 |
| Loss | 9,275,778 | 7,323,731 | 14,732,417 | 17,414,496 | 66,618,565 | 36,480,068 | 14,508,240 |
| Portfolio income (loss) distributed directly to partners | 3,110,420 | 1,810,012 | 2,889,885 | 9,732,962 | 657,256,181 | 69,952,271 | 6,700,149 |
| Interest income | 580,800 | 343,605 | 569,746 | 4,866,537 | 145,576,569 | 14,607,963 | 967,563 |
| Dividend income | 630,403 | 191,536 | 508,256 | 718,269 | 126,568,454 | 11,465,401 | 662,181 |
| Royalties | 98,745 | 29,339 | 38,860 | 1,609,034 | 6,987,097 | 5,826,404 | 595,047 |
| Net short-term capital gain (loss) | 7,020 | -2,383 | -807 | -412,667 | 15,283,515 | -64,149 | 190,294 |
| Net long-term capital gain (loss) | 1,793,452 | 1,247,915 | 1,773,830 | 2,951,788 | 362,840,547 | 38,116,652 | 4,285,064 |
| Net rental real estate income (loss) | 27,965 | 282,439 | 313,693 | -43,388 | -3,736,242 | 58,893,320 | -116,958 |
| Net income | 126,405 | 335,025 | 336,941 | 47,678 | 4,074,751 | 154,143,710 | 157,386 |
| Loss | 98,440 | 52,586 | *23,249 | 91,066 | 7,810,993 | 95,250,391 | 274,344 |
| Other net rental income (loss) | 65,147 | -83,996 | -45,835 | 599,828 | 931,304 | 2,955,259 | -231,318 |
| Total net income (loss) [3] | 15,902,840 | 10,386,900 | 7,782,804 | 63,931,176 | 341,148,016 | 106,020,967 | 97,751,051 |
| Net income | 25,003,506 | 17,600,264 | 21,873,241 | 79,527,630 | 401,216,725 | 228,918,930 | 112,416,262 |
| Loss | 9,100,666 | 7,213,364 | 14,090,437 | 15,596,453 | 60,068,709 | 122,897,963 | 14,665,210 |

Footnotes at end of table.

Table 10. All Partnerships: Total Assets, Trade or Business Income and Deductions, Portfolio Income, Rental Income, and Total Net Income (Loss), by Industrial Group, Tax Year 2016—Continued

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

| Item | Management of companies (holding companies) | Administrative and support and waste management and remediation services | Health care and social assistance | Arts, entertainment, and recreation | Accommodation and food services | Educational and other services [4] | Nature of business not allocable |
|---|---|--|-----------------------------------|-------------------------------------|---------------------------------|------------------------------------|----------------------------------|
| | (14) | (15) | (16) | (17) | (18) | (19) | (20) |
| Number of partnerships | 28,730 | 60,570 | 82,907 | 47,927 | 157,820 | 131,625 | 0 |
| Number of partners | 1,378,134 | 157,177 | 374,186 | 246,527 | 572,092 | 429,905 | 0 |
| Total assets | 855,951,198 | 106,296,602 | 202,004,574 | 152,201,179 | 297,400,059 | 39,332,167 | 0 |
| Income and deductions from a trade or business: | | | | | | | |
| Total income | 43,927,258 | 126,569,944 | 313,270,142 | 90,505,374 | 233,617,850 | 46,446,504 | 0 |
| Business receipts | 21,958,110 | 116,710,857 | 293,430,889 | 78,871,040 | 227,118,942 | 45,002,723 | 0 |
| Ordinary income from other partnerships and fiduciaries | 15,195,507 | 943,455 | 3,227,393 | 3,124,686 | 1,973,913 | 265,279 | 0 |
| Net gain, noncapital assets | 627,419 | [d] | 296,842 | 116,635 | 890,737 | 73,580 | 0 |
| Other income [1] | 6,146,223 | [d] | 16,315,017 | 8,393,012 | 3,634,258 | 1,104,922 | 0 |
| Total deductions | 40,059,621 | 121,537,642 | 278,803,471 | 88,249,086 | 228,381,881 | 45,137,848 | 0 |
| Cost of goods sold | 9,350,069 | 46,111,889 | 16,594,464 | 12,717,785 | 67,495,069 | 14,748,537 | 0 |
| Inventory, beginning of year | 1,167,827 | 511,257 | 340,361 | 762,965 | 3,049,315 | 1,095,890 | 0 |
| Purchases | 4,488,357 | 7,613,885 | 4,656,054 | 3,934,657 | 46,958,914 | 8,296,000 | 0 |
| Cost of labor | 1,351,425 | 21,758,456 | 4,523,054 | 1,400,982 | 11,590,551 | 3,141,494 | 0 |
| Additional inventory costs (section 263A) | 304,844 | 120,940 | *115,305 | 12,348 | 248,402 | 41,522 | 0 |
| Other costs | 3,467,258 | 16,654,659 | 7,329,822 | 7,777,281 | 8,826,013 | 3,429,109 | 0 |
| Less: Inventory, end of year | 1,429,642 | 547,307 | 370,132 | 1,170,448 | 3,178,127 | 1,255,479 | 0 |
| Salaries and wages | 5,225,752 | 33,771,605 | 84,523,930 | 23,518,023 | 43,433,797 | 9,417,375 | 0 |
| Guaranteed payments to partners | 1,792,942 | 1,210,473 | 8,776,660 | 992,874 | 1,005,224 | 784,609 | 0 |
| Rent paid | 484,459 | 2,006,968 | 14,402,796 | 3,409,222 | 13,843,838 | 3,078,423 | 0 |
| Interest paid | 2,419,926 | 1,580,590 | 3,320,156 | 2,804,226 | 7,829,465 | 812,823 | 0 |
| Taxes and licenses | 588,283 | 3,179,708 | 10,977,640 | 5,019,471 | 10,556,858 | 1,370,780 | 0 |
| Bad debts | 412,173 | 392,174 | 6,003,304 | 102,517 | 100,184 | 116,375 | 0 |
| Repairs and maintenance | 158,442 | 574,056 | 3,378,912 | 1,187,284 | 4,856,520 | 564,159 | 0 |
| Depreciation | 744,229 | 1,668,563 | 6,739,398 | 4,746,388 | 13,522,107 | 1,748,210 | 0 |
| Retirement plans, etc. | [d] | 441,715 | [d] | 518,678 | 142,856 | 64,178 | 0 |
| Employee benefit programs | 285,866 | 1,656,448 | 6,974,562 | 1,072,091 | 2,445,315 | 379,924 | 0 |
| Ordinary loss from other partnerships and fiduciaries | 9,715,557 | 540,086 | 1,341,056 | 854,626 | 2,054,730 | *389,886 | 0 |
| Net loss, noncapital assets | [d] | [d] | 159,975 | [d] | [d] | 24,287 | 0 |
| Other deductions [2] | [d] | [d] | [d] | [d] | [d] | 11,638,282 | 0 |
| Ordinary business income (loss) | 3,867,637 | 5,032,303 | 34,466,671 | 2,256,288 | 5,235,969 | 1,308,656 | 0 |
| Net income | 18,093,845 | 9,916,564 | 43,628,104 | 10,985,574 | 18,230,434 | 4,559,688 | 0 |
| Loss | 14,226,209 | 4,884,261 | 9,161,434 | 8,729,286 | 12,994,466 | 3,251,031 | 0 |
| Portfolio income (loss) distributed directly to partners | 43,918,271 | 1,601,441 | 2,420,904 | 4,583,638 | 2,590,139 | 539,623 | 0 |
| Interest income | 5,374,631 | 349,324 | 576,178 | 214,321 | 364,203 | 59,929 | 0 |
| Dividend income | 10,483,915 | [d] | [d] | 280,994 | [d] | [d] | 0 |
| Royalties | 1,226,839 | [d] | [d] | 186,889 | [d] | [d] | 0 |
| Net short-term capital gain (loss) | 1,561,355 | [d] | [d] | 5,363 | 34,962 | *-2,188 | 0 |
| Net long-term capital gain (loss) | 25,271,532 | 809,745 | 1,807,637 | 3,896,070 | 1,781,585 | 252,171 | 0 |
| Net rental real estate income (loss) | 1,728 | 67,235 | 68,535 | 13,503 | 109,869 | 52,387 | 0 |
| Net income | 1,014,683 | 69,117 | 253,301 | 61,642 | 395,431 | [d] | 0 |
| Loss | 1,012,955 | *1,882 | 184,766 | 48,139 | 285,562 | [d] | 0 |
| Other net rental income (loss) | -27,724 | -264 | 104,188 | 15,221 | 3,661 | *69,067 | 0 |
| Total net income (loss) [3] | 20,927,026 | 5,895,670 | 35,249,946 | 2,967,217 | 6,123,090 | 1,719,751 | 0 |
| Net income | 34,025,050 | 10,535,752 | 44,372,724 | 11,427,913 | 18,941,313 | 4,927,798 | 0 |
| Loss | 13,098,024 | 4,640,082 | 9,122,778 | 8,460,696 | 12,818,223 | 3,208,047 | 0 |

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

[d] In order to avoid disclosure of information for specific partnerships, these data are not shown. However, they are included in the appropriate totals.

[1] Farm net profit was combined with other income to prevent disclosure due to the small number of returns sampled in certain sectors.

[2] Depletion and farm net loss were combined with other deductions to prevent disclosure due to the small number of returns sampled in certain sectors.

[3] Total net income (loss) is the sum of ordinary business income (loss), interest income, dividend income, royalties, net rental real estate income (loss), and other net rental income (loss). For more information on Total net income (loss), see Explanation of Selected Terms at the end of the article text.

[4] The Educational and Other services sectors were combined due to disclosure concerns.

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

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

