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# SOI BULLETIN

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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 Website (<https://www.irs.gov/statistics/soi-tax-stats-historical-data-tables>).

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The *SOI Bulletin* is prepared under the direction of Wayne Kei, Chief, Data Dissemination Section. Paul Bastuscheck (layout and graphics), Clay Moulton (layout and graphics), Lisa Smith (layout and graphics editor), and Camille Swick (layout and graphics) are the editorial staff who prepare the manuscript. Emily Gross, Jim Hobbs, Beth Kilss, and Georgette Walsh also made major contributions in the production of this issue. Views expressed in the article are those of the author and do not necessarily represent the views of the Treasury Department or the Internal Revenue Service.

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by Adrian Dungan

For Tax Year 2016, taxpayers reported nonfarm sole proprietorship activity on approximately 25.5 million individual income tax returns, a 1.2-percent increase from 2015. Profits fell to \$328.2 billion in 2016, a 1.1-percent decrease from the previous year. In constant dollars, total nonfarm sole proprietorship profits decreased 2.4 percent in 2016. Total profits as a percentage of business receipts were 23.1 percent for 2016, the second highest level in this data series which began in 1988. The largest percentage increase in profits was reported by the arts, entertainment, and recreation sector, which increased 19.6 percent or \$1.9 billion.

### Partnership Returns, 2016

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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).



# Sole Proprietorship Returns, Tax Year 2016

by Adrian Dungan

For Tax Year 2016, there were approximately 25.5 million individual income tax returns that reported nonfarm sole proprietorship activity, a 1.2-percent increase from Tax Year 2015. Total nonfarm sole proprietorship profits, however, fell 1.1 percent to \$328.2 billion in 2016. In constant dollars, total profits also decreased by 2.4 percent. Total profits as a percentage of business receipts were 23.1 percent for the year, the second highest level in this data series, which began in Tax Year 1988. The professional, scientific, and technical services sector remained the sector with the largest share of profits at 23.7 percent, but it saw profits decline by 6.7 percent to \$77.7 billion. A few sectors saw increases in profits, with the largest in the arts, entertainment, and recreation sector, which grew 19.6 percent to \$11.3 billion.

For sole proprietorships, total receipts decreased 1.5 percent, while deductions decreased 1.6 percent. The construction

sector reported the largest percentage of total business receipts (17.0 percent) and total business deductions (18.4 percent). The arts, entertainment, and recreation sector reported the largest percentage increase in business receipts (12.7 percent). The construction sector reported the largest dollar increase in business receipts, jumping \$12.4 billion. The finance and insurance sector experienced the largest downturn in total receipts, losing \$14.0 billion or 15.5 percent, and also reported the largest drop in deductions, with a decline of \$14.5 billion or 20.8 percent.

## Returns and Receipts

Between Tax Years 2015 and 2016, the number of individual income tax returns reporting nonfarm sole proprietorship activity increased 1.2 percent to 25.5 million (Figure A).<sup>1</sup> The transportation and warehousing sector had the largest percentage increase in the number of returns among all sectors, increasing

**Figure A**

### Nonfarm Sole Proprietorship Returns, Receipts, and Deductions, by Selected Industrial Sector, Tax Years 2015 and 2016

(Number of returns is in thousands—money amounts are in billions of dollars)

Selected industrial sector	Number of returns			Total business receipts			Total business deductions [1]		
	2015	2016	Percentage change	2015	2016	Percentage change	2015	2016	Percentage change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<b>All nonfarm industries</b>	<b>25,226.2</b>	<b>25,525.9</b>	<b>1.2</b>	<b>1,443.6</b>	<b>1,422.2</b>	<b>-1.5</b>	<b>1,112.8</b>	<b>1,094.9</b>	<b>-1.6</b>
Construction	2,696.8	2,840.0	5.3	229.7	242.1	5.4	189.7	201.5	6.2
Wholesale trade (merchant wholesalers)	371.1	342.7	-7.7	58.0	48.4	-16.5	53.0	43.9	-17.1
Retail trade	2,460.6	2,329.5	-5.3	184.8	174.6	-5.5	173.5	164.1	-5.4
Transportation and warehousing	1,619.6	1,985.0	22.6	102.8	103.4	0.6	88.2	88.3	0.1
Finance and insurance	636.2	609.4	-4.2	90.1	76.1	-15.5	69.7	55.2	-20.8
Real estate and rental and leasing	1,214.7	1,282.2	5.6	77.4	82.6	6.8	49.3	53.5	8.5
Professional, scientific, and technical services	3,486.6	3,466.6	-0.6	196.3	188.6	-3.9	113.1	111.0	-1.9
Administrative and support and waste management services	2,472.0	2,557.9	3.5	71.5	75.6	5.7	50.7	54.5	7.4
Health care and social assistance	2,181.4	2,127.3	-2.5	121.9	121.1	-0.7	72.1	72.7	0.9
Arts, entertainment, and recreation	1,499.7	1,642.7	9.5	39.1	44.1	12.7	29.7	32.8	10.5
Other services	3,512.2	3,449.8	-1.8	112.1	111.7	-0.3	82.7	81.1	-1.9
All other sectors	3,075.4	2,892.7	-5.9	160.0	153.9	-3.9	141.1	136.2	-3.5

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

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

SOURCE: IRS, Statistics of Income Division, Sole Proprietorship Returns, August 2018.

<sup>1</sup> For Tax Year 2016, the 25,525,915 nonfarm sole proprietorship returns accounted for an estimated 28,773,191 nonfarm businesses. For purposes of these statistics, if a proprietor owned more than one business, the statistics for each business were combined with those of the proprietor's dominant business and included in the industrial group for that business activity. When this occurred, the sum of net incomes (for businesses reporting a positive net income) reduced by the sum of net deficits (for businesses reporting a deficit) yielded the profits for a specific industrial group.

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

NAICS for industrial coding was introduced in Tax Year 1998. Prior to 1998, industries were classified using the Standard Industrial Classification (SIC). Due to coding changes, comparisons between data by industry from 1998–2016 with 1997 and prior years may show inconsistencies. A reason for this is that several types of sole proprietorships under NAICS were classified in completely different industrial groups, which makes prior-year comparisons under the SIC system inappropriate. For example, in 1997, finance, insurance, and real estate were classified as one industry under the SIC system, while under the NAICS system, the group is split into two industrial sectors. The industrial sectors based on the NAICS codes are reported in Tables 1 and 2.



22.6 percent for the year, after increasing by 25.0 percent in 2015, the latter being the largest percentage increase by a sector since at least 1988. Growth in ride-sharing businesses contributed to these large increases. The subsector of the transportation and warehousing sector specific to “Taxis, limousines, and other ride-sharing services” accounted for much of the total increase in the number of business returns in the sector, making up 87.5 percent of the increase in Tax Year 2014. This subset also made up much of the total increase in the number of business returns in Tax Years 2015 (69.1 percent) and 2016 (79.9

percent). Between Tax Years 2013 and 2016, the average business receipts per return in this subsector fell from \$36,420 to \$19,676. This precipitous drop was driven by substantial increases in the number of returns for this subsector, averaging more than 50 percent per year, with smaller gains in business receipts over this same period, averaging just over 25 percent (Figure B). For transportation and warehousing more broadly, 87.5 percent of the returns in the sector had business receipts of \$100,000 or less; these returns accounted for 56.2 percent of total profits. Similarly, both the administrative and support and

Figure B

### Nonfarm Sole Proprietorships: Income Statements, for Taxis, Limousines, and Ride Sharing Services, Tax Years 2013–2016

[Money amounts are in billions of dollars]

Net income status, item	Taxis, Limousines, Uber, Lyft and other ride sharing services			
	2013	2014	2015	2016
	(1)	(2)	(3)	(4)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>				
<b>Number of returns [1]</b>	<b>230,481</b>	<b>331,281</b>	<b>555,046</b>	<b>847,065</b>
<b>Business receipts, total [1,2]</b>	<b>8,394,177</b>	<b>10,874,894</b>	<b>12,808,899</b>	<b>16,667,209</b>
Income from sales and operations [1]	8,238,769	10,658,172	12,680,939	16,445,007
Other business income (loss) [1]	155,408	216,722	127,959	222,202
<b>Business deductions, total [1,2]</b>	<b>6,026,516</b>	<b>8,405,469</b>	<b>10,153,715</b>	<b>13,459,248</b>
Cost of sales and operations, total	85,707	220,143	200,268	168,933
Advertising expenses	58,833	46,425	60,397	69,043
Car and truck expenses	1,446,115	2,154,758	2,725,539	4,480,628
Commissions	179,673	230,200	487,736	794,283
Contract labor	193,757	278,918	199,810	179,858
Depreciation	252,269	362,876	488,304	459,246
Insurance	303,001	403,056	382,624	487,139
Legal and professional services	36,102	45,489	60,581	77,012
Meals and entertainment deducted	68,614	85,709	89,987	224,901
Other interest paid on business indebtedness	49,441	13,270	34,864	30,653
Office expenses	21,934	29,264	57,056	75,168
Rent paid on machinery and equipment	1,244,278	1,676,672	1,613,450	1,622,525
Rent paid on other business property	149,334	120,421	234,897	227,218
Repairs	209,576	289,536	359,142	375,638
Supplies	41,890	125,806	99,870	199,312
Salaries and wages	115,582	103,728	109,566	219,346
Taxes paid	89,953	139,797	122,103	211,215
Travel	53,945	73,095	74,806	105,037
Utilities	145,183	199,119	320,180	429,427
Other business expenses	1,206,370	1,669,365	2,206,131	2,728,782
<b>Net income less deficit [1,2]</b>	<b>2,367,665</b>	<b>2,470,162</b>	<b>2,656,632</b>	<b>3,223,125</b>
Net income [1,2]	2,629,448	2,940,526	3,457,190	4,382,503
Deficit [2]	261,783	470,364	800,558	1,159,378
<b>Returns with Schedule C-EZ:</b>				
Number of returns	23,418	36,026	126,124	193,612
Business receipts	223,733	197,099	502,216	595,387
Business deductions	39,465	39,656	164,642	198,272
Net income	184,268	157,444	337,574	397,116

[1] Includes returns with Schedule C-EZ attached. Schedule C-EZ was filed for certain small businesses, i.e., those with net incomes, business expenses of \$5,000 or less, used the cash accounting method, with no inventories or employees, and with no deduction for a home office business and no allowable “passive” activity losses. Because only a total is reported for business deductions on Schedule C-EZ, the totals shown in the statistics exceed the sum of the detailed deductions; the detailed deductions are, therefore, slightly understated.

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

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

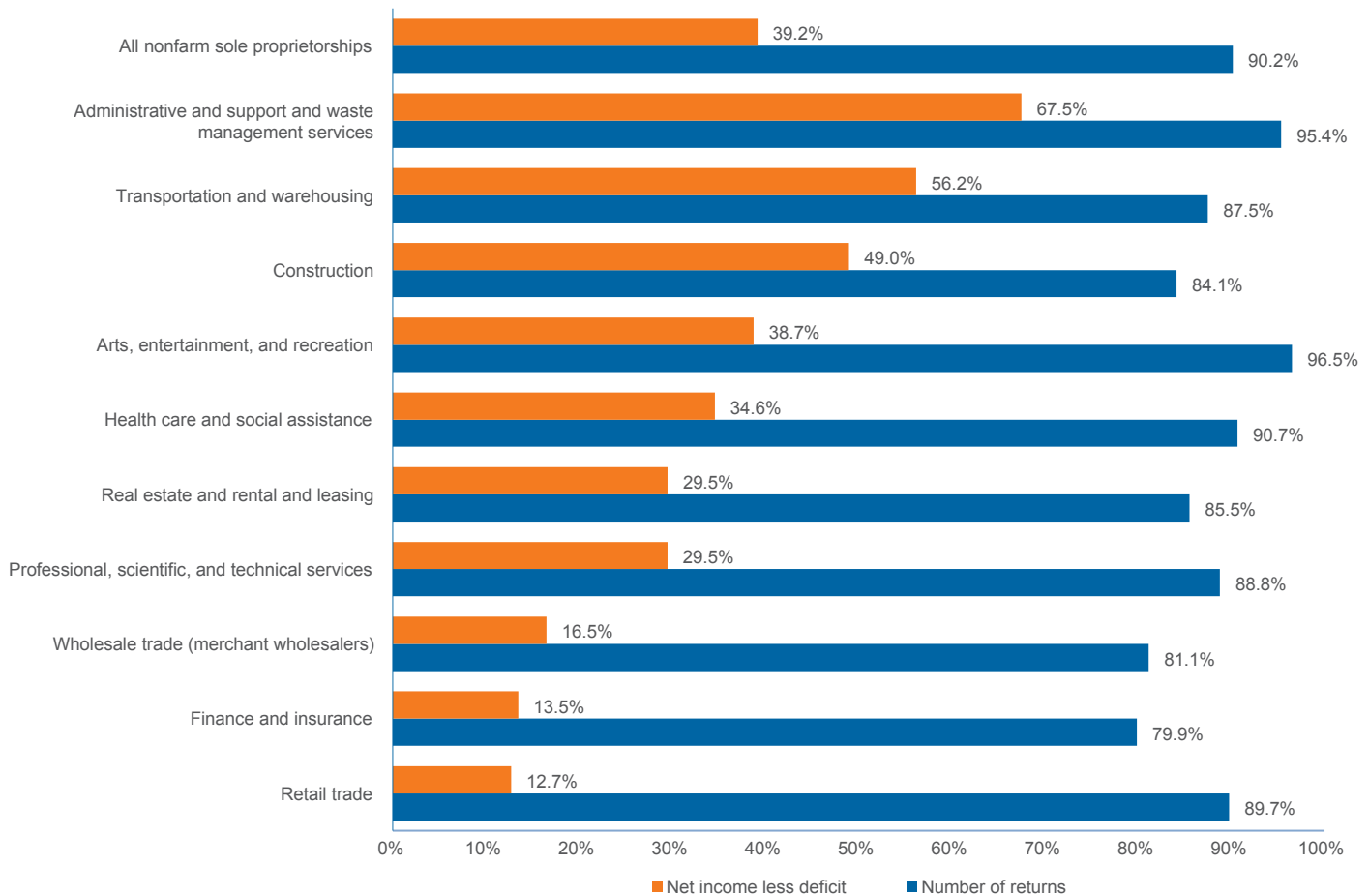
SOURCE: IRS, Statistics of Income Division, Sole Proprietorship Returns 2016, August 2018.

waste management services and the construction sector had a relatively large percentage of profits accounted for by returns with business receipts of less than \$100,000. In the administrative and support and waste management services sector's, 95.4 percent of returns had business receipts less than \$100,000; these returns accounted for 67.5 percent of the sectors' total profits. The construction sector had 84.1 percent of such returns, accounting for 49 percent of its total profits. The finance and insurance sector and the wholesale trade and retail trade sectors had much lower percentages of profits accounted for by returns with business receipts of \$100,000 or less (Figure B1). The professional, scientific, and technical services sector was the largest sector in terms of the number of returns with business receipts less than \$100,000; this sector saw a 0.6-percent decrease in its number of returns to 3.5 million.

For all nonfarm sole proprietorship industries, total business receipts (the sum of "income from sales and operations" and "other business income") decreased 1.5 percent, from \$1,443.6 billion to \$1,422.2 billion (Figure A).<sup>2</sup> The professional, scientific, and technical services sector, the second largest sector by receipts, showed a decrease in receipts of 3.9 percent to \$188.6 billion. The wholesale trade sector showed the largest percentage decrease in business receipts, declining by 16.5 percent to \$48.4 billion for Tax Year 2016. In comparison, the arts, entertainment, and recreation sector had the largest percentage gain in business receipts, with an increase of 12.7 percent to \$44.1 billion for the year, followed by the real estate and rental and leasing sector, with an increase of 6.8 percent from \$77.4 billion to \$82.6 billion. Construction, the largest sector by receipts, experienced the largest dollar increase in receipts, which rose

**Figure B1**

**Nonfarm Sole Proprietorships: Percentage of Industry's Total Returns and Total Net Income for Returns with Business Receipts Equal to or less than \$100,000, Tax Year 2016**



SOURCE: IRS, Statistics of Income Division, Sole Proprietorship Returns, October 2018.

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

by \$12.4 billion or 5.4 percent. In constant dollar terms, total business receipts for nonfarm sole proprietorships decreased 2.8 percent to \$1,276.1 billion (Figure C)<sup>3</sup> for the year, well below the peak level of \$1,360.6 billion in Tax Year 2007.

## Deductions

Total business deductions (“cost of sales and operations” plus business expenses, including expenses for home offices) in current dollars decreased 1.6 percent, from \$1,112.8 billion in Tax

**Figure C**

### Nonfarm Sole Proprietorship Receipts, Deductions, and Profits, Tax Years 1988–2016

[Money amounts are in millions of dollars]

Tax year	Total business receipts			Total business deductions [1]			Net income less deficit (profits)		
	Current dollars	Constant dollars [2]		Current dollars	Constant dollars [2]		Current dollars	Constant dollars [2]	
		Amount	Percentage change		Amount	Percentage change		Amount	Percentage change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1988	672.0	1,084.2	[3]	545.7	880.4	[3]	126.3	203.8	[3]
1989	692.8	1,075.9	-0.8	560.2	870.0	-1.2	132.7	206.1	1.1
1990	730.6	1,094.2	1.7	589.2	882.4	1.4	141.4	211.8	2.8
1991	712.6	1,032.8	-5.6	571.2	827.9	-6.2	141.5	205.1	-3.2
1992	737.1	1,044.5	1.1	583.1	826.3	-0.2	154.0	218.2	6.4
1993	757.2	1,048.1	0.3	600.8	831.5	0.6	156.5	216.6	-0.8
1994	790.6	1,071.5	2.2	623.8	845.5	1.7	166.8	226.1	4.4
1995	807.4	1,071.9	[4]	638.1	847.2	0.2	169.3	224.7	-0.6
1996	843.2	1,099.4	2.6	666.5	868.9	2.6	176.8	230.5	2.6
1997	870.4	1,115.7	1.5	683.9	876.6	0.9	186.6	239.3	3.8
1998	918.3	1,164.4	4.4	716.2	908.1	3.6	202.3	256.5	7.2
1999	969.3	1,210.7	4.0	761.4	951.0	4.7	207.9	259.7	1.3
2000	1,021.0	1,246.8	3.0	806.4	984.8	3.5	214.7	262.2	1.0
2001	1,016.8	1,214.1	-2.6	799.6	954.7	-3.0	217.4	259.6	-1.0
2002	1,029.7	1,210.8	-0.3	808.9	951.2	-0.4	221.1	260.0	0.2
2003	1,050.2	1,210.8	[4]	820.2	945.6	-0.6	230.3	265.5	2.1
2004	1,139.5	1,278.6	5.6	892.4	1,001.3	5.9	247.6	277.8	4.6
2005	1,222.9	1,329.4	4.0	953.4	1,036.4	3.5	269.9	293.4	5.6
2006	1,278.4	1,348.3	1.4	1,001.1	1,055.9	1.9	278.0	293.2	-0.1
2007	1,324.4	1,360.6	0.9	1,044.3	1,072.9	1.6	280.6	288.2	-1.7
2008	1,317.4	1,327.5	-2.4	1,053.7	1,061.7	-1.0	264.5	266.5	-7.5
2009	1,178.4	1,178.4	-11.2	934.5	934.5	-12.0	244.8	244.8	-8.1
2010	1,195.5	1,181.1	0.2	929.0	917.8	-1.8	267.7	264.5	8.0
2011	1,265.9	1,225.4	3.7	984.2	952.7	3.8	282.6	273.6	3.4
2012	1,301.6	1,237.1	1.0	997.6	948.1	-0.5	304.9	289.8	5.9
2013	1,341.6	1,254.8	1.4	1,040.4	973.1	2.6	302.3	282.7	-2.4
2014	1,393.9	1,280.8	2.1	1,078.5	991.0	1.8	317.1	291.3	3.0
2015	1,443.6	1,312.4	2.5	1,112.8	1,011.7	2.1	331.8	301.7	3.5
2016	1,422.2	1,276.1	-2.8	1,094.9	982.5	-2.9	328.2	294.5	-2.4

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

[2] Current dollars are the value of a dollar at the time it was measured. Constant dollars are based on the overall implicit price deflator for gross domestic product computed and reported by the U.S. Department of Commerce, Bureau of Economic Analysis, in the *Survey of Current Business*. The deflator represents the annual average of current-weighted prices, based on 2009 = 100.

[3] Not calculated.

[4] Less than 0.05 percent.

NOTE: Percentages were calculated before rounding.

SOURCE: IRS, Statistics of Income Division, Sole Proprietorship Returns, August 2018.

<sup>3</sup> Based on the overall implicit price deflator for Gross Domestic Product (GDP). See U.S. Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business*. Indices used for this article were:

Year	Indices	Year	Indices	Year	Indices	Year	Indices
1988	61.982	1996	76.699	2004	89.12	2012	105.214
1989	64.392	1997	78.012	2005	91.988	2013	106.913
1990	66.773	1998	78.859	2006	94.814	2014	108.828
1991	68.996	1999	80.065	2007	97.337	2015	109.998
1992	70.569	2000	81.887	2008	99.246	2016	111.445
1993	72.248	2001	83.754	2009	100		
1994	73.785	2002	85.039	2010	101.221		
1995	75.324	2003	86.735	2011	103.311		



Year 2015 to \$1,094.9 billion in Tax Year 2016 (Figure A).<sup>4,5</sup> In constant dollars, total business deductions decreased 2.9 percent in 2016 (Figure C).

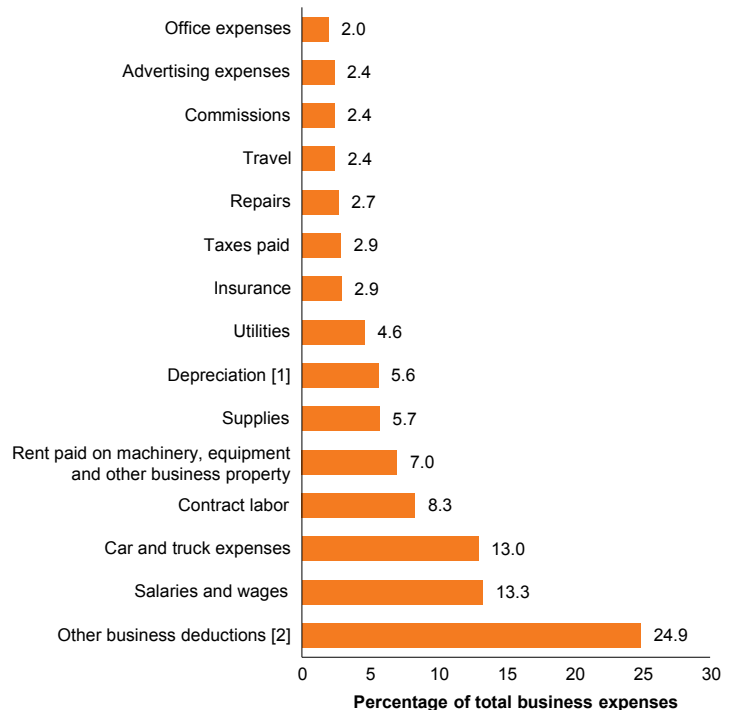
Deductions for the construction sector, the largest sector in terms of total business deductions, increased 6.2 percent, from \$189.7 billion in 2015 to \$201.5 billion in 2016. The arts, entertainment, and recreation sector had the largest percentage increase of total business deductions, increasing 10.5 percent to \$32.8 billion. The wholesale trade sector and finance and insurance sector experienced large percentage decreases of total business deductions, dropping 17.1 percent and 20.8 percent, respectively.

The cost of sales and operations, which represented 37.5 percent of total Tax Year 2016 business deductions (\$410.6 billion), decreased 4.9 percent from Tax Year 2015 (Table 2). Total business “expenses” (total business deductions minus the cost of sales and operations) were \$684.3 billion for 2016, a 0.5-percent increase from the previous tax year. The main components of total business expenses are highlighted in Figure D. The two largest components were salaries and wages accounting for \$90.9 billion (13.3 percent) and car and truck expenses accounting for \$88.6 billion (13.0 percent).

Historically, constant dollar depreciation increased almost every year from 1993 through 2003.<sup>6</sup> Between Tax Years 2004 and 2009, constant dollar depreciation dropped significantly, going from \$48.1 billion to \$34.5 billion. In Tax Year 2012, it dropped to \$32.5 billion, but subsequently climbed back to \$34.5 billion by 2016 (Figure E). Increases in Tax Years 2003 and 2008 coincided with legislative changes to section 179 of the Internal Revenue Code that substantially increased the amount of certain investment property that could be expensed in a given year rather than depreciated over time. Under the Jobs and Growth Tax Relief Reconciliation Act of 2003, the maximum allowable section 179 deduction vaulted from \$24,000 in 2002 to \$100,000 in 2003. This change led to a constant dollar depreciation increase of 11.7 percent for 2003, which was the highest growth in depreciation of any year between Tax Years 1988 and 2016. But, the initial jump in depreciation was followed by trends of decreased depreciation, which is consistent with deductions being accelerated into the year of expensing. Constant dollar declines of depreciation were reported for Tax Years 2005, 2006, and 2007. This downward trend was particularly pronounced in 2005, as constant dollar depreciation fell

**Figure D**

**Components of Nonfarm Sole Proprietorship Business Expenses as a Percentage of Total Business Expenses, Tax Year 2016**



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

[2] Includes depletion; employee benefit programs; total interest; legal and professional services; pension and profit-sharing plans; meals and entertainment; home office; and other business expenses. Other business deductions also includes all Schedule C-EZ, *Net Profit From Business*, deductions (\$5.0 billion).

NOTES: Total business expenses equals all business deductions minus cost of sales and operations. Percents are based on an estimated total business expense of \$684.3 billion. Detail may not add to 100 percent because of rounding.

SOURCE: IRS, Statistics of Income Division, Sole Proprietorship Returns, August 2018.

by 11.7 percent, followed by decreases of 3.2 percent in 2006 and 1.0 percent in 2007. During this same 3-year period, section 179 limits gradually increased for inflation, finally rising to \$125,000 in 2007.<sup>7</sup> In 2008, the section 179 limit was doubled to \$250,000 and there was a 2.5-percent increase in constant dollar depreciation. The \$250,000 limit remained for Tax Year 2009 and depreciation dropped 17.3 percent, which was the largest decrease since at least 1988. In Tax Year 2010, the section 179 limit was again doubled to \$500,000, but constant dollar

<sup>4</sup> Sole proprietors report personal, i.e., nonbusiness income and expense items apart from business income or loss, which is reported on Schedule C, *Profit or Loss From Business* (or, to a lesser extent, on Schedule C-EZ, *Net Profit From Business*). Salaries paid to owners are neither deducted as wages paid on Schedule C nor included as wages received on Form 1040, *U.S. Individual Income Tax Return*. Similarly, sole proprietors deduct charitable contributions made through the business as personal expenses on Schedule A, *Itemized Deductions*. However, the owner of a sole proprietorship may choose to deduct any foreign taxes paid as a business expense, unless the owner elects to claim these taxes as a credit against U.S. income tax.

<sup>5</sup> Business deductions include the home office business deductions. After 1990, home office expenses were calculated separately on Form 8829, *Expenses for Business Use of Your Home*, and the deductible portion brought forward to Schedule C. In some cases, these expenses were limited. Starting in Tax Year 2013, sole proprietors could also use a simplified method to determine these costs by reporting on Schedule C square footage (up to 300 square feet) used for the home office. The taxpayer could then take \$5 per square foot as a business expense. Prior to 1990, these expenses were not limited and were included with other expenses, such as depreciation deductions, utilities, and “other” expenses on Schedule C.

<sup>6</sup> Under section 179 of the Internal Revenue Code, the cost of certain tangible property may be treated as a current expense rather than a capital expenditure subject to depreciation deductions. The Omnibus Budget Reconciliation Act of 1993 (OBRA93) increased the maximum amount of investment that could immediately be deducted on property placed in service after 1992, from \$10,000 to \$17,500. The increase in the constant dollar depreciation deductions for 1993, and subsequent decline in 1995, may be attributed, in part, to this provision of OBRA93. Following the enactment of this provision, the 179 deduction for all individuals (not just sole proprietors) filing Form 4562, *Depreciation and Amortization*, increased 32.4 percent to \$13.5 billion for 1993.

<sup>7</sup> Under the Jobs and Growth Tax Relief Reconciliation Act of 2003, the maximum amount of a section 179 deduction increased from \$24,000 for 2002 to \$100,000 for 2003 to \$102,000 for 2004, and to \$105,000 and \$108,000 for 2005 and 2006, respectively. This was further expanded to \$125,000 for 2007 by the Small Business and Work Opportunity Tax Act of 2007 (PL 110-28). The Jobs Creation and Worker Assistance Act of 2002 introduced 30-percent bonus depreciation, and the Jobs and Growth Tax Relief Reconciliation Act of 2003 increased the bonus percentage to 50 percent, for property placed in service by January 1, 2005. While bonus depreciation was available to sole proprietors, it was generally not as advantageous as immediate expensing and, therefore, likely had less effect on their depreciation deductions.

Figure E

## Nonfarm Sole Proprietorship Net Income, Deficit, and Depreciation, Tax Years 1988–2016

[Money amounts are in billions of dollars]

Tax year	Current dollars [1]			Constant dollars [1]			Percentage change in constant dollars [1]		
	Net income	Deficit	Depreciation [2]	Net income	Deficit	Depreciation [2]	Net income	Deficit	Depreciation [2]
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1988	145.5	19.2	26.1	234.7	31.0	42.1	[3]	[3]	[3]
1989	152.4	19.7	24.5	236.7	30.6	38.0	0.8	-1.2	-9.6
1990	161.7	20.2	23.7	242.2	30.3	35.5	2.3	-1.1	-6.7
1991	162.4	20.9	23.1	235.4	30.3	33.5	-2.8	0.1	-5.7
1992	173.5	19.5	23.3	245.9	27.6	33.0	4.5	-8.8	-1.4
1993	177.0	20.5	25.0	245.0	28.4	34.6	-0.4	2.7	4.8
1994	187.8	21.0	26.2	254.5	28.5	35.5	3.9	0.3	2.6
1995	191.7	22.5	26.2	254.5	29.8	34.8	[4]	4.8	-1.9
1996	200.1	23.4	27.4	260.9	30.5	35.7	2.5	2.1	2.4
1997	210.5	23.8	28.6	269.8	30.5	36.7	3.4	0.2	2.8
1998	226.2	23.9	29.1	286.8	30.3	36.9	6.3	-0.7	0.7
1999	233.4	25.5	30.6	291.5	31.8	38.3	1.6	4.8	3.6
2000	245.2	30.5	32.2	299.5	37.3	39.3	2.7	17.2	2.7
2001	250.2	32.8	33.4	298.7	39.2	39.9	-0.3	5.1	1.5
2002	257.3	36.2	36.6	302.6	42.5	43.1	1.3	8.7	8.0
2003	269.1	38.8	41.8	310.2	44.7	48.1	2.5	5.1	11.7
2004	290.5	42.9	42.9	325.9	48.2	48.1	5.1	7.7	[4]
2005	314.8	44.8	39.1	342.2	48.7	42.5	5.0	1.2	-11.7
2006	326.8	48.7	39.0	344.6	51.4	41.1	0.7	5.5	-3.2
2007	335.1	54.5	39.6	344.3	56.0	40.7	-0.1	9.0	-1.0
2008	325.3	60.8	41.4	327.7	61.2	41.8	-4.8	9.3	2.5
2009	308.9	64.1	34.5	308.9	64.1	34.5	-5.8	4.7	-17.3
2010	323.2	55.5	35.1	319.3	54.8	34.7	3.4	-14.4	0.4
2011	337.0	54.3	35.6	326.2	52.6	34.5	2.2	-4.1	-0.7
2012	357.1	52.2	34.2	339.4	49.6	32.5	4.0	-5.7	-5.6
2013	357.4	55.1	35.4	334.3	51.6	33.1	-1.5	4.0	1.7
2014	374.5	57.5	36.6	344.2	52.8	33.6	2.9	2.4	1.5
2015	392.1	60.3	38.4	356.5	54.8	34.9	3.6	3.8	4.0
2016	389.1	60.9	38.4	349.2	54.7	34.5	-2.0	-0.2	-1.4

[1] Current dollars are the value of a dollar at the time it was measured. Constant dollars are based on the overall implicit price deflator for gross domestic product computed and reported by the U.S. Department of Commerce, Bureau of Economic Analysis, in the *Survey of Current Business*. The deflator represents the annual average of current-weighted prices, based on 2009 = 100.

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

[3] Not calculated.

[4] Less than 0.05 percent.

NOTE: Percentage changes were calculated before rounding.

SOURCE: IRS, Statistics of Income Division, Sole Proprietorship Returns, August 2018.

depreciation increased by only 0.4 percent, from \$34.5 billion to \$34.7 billion. The limit was increased as part of the stimulus packages created in response to the Great Recession.<sup>8</sup> The section 179 limit has remained \$500,000 for Tax Years 2011 through 2016. For 2011, constant dollar depreciation dropped by 0.7 percent; in 2012 it dropped another 5.6 percent to \$32.5 billion, the lowest level over the 26 years of this study. In 2016,

constant dollar depreciation fell by 1.4 percent and is currently \$34.5 billion, the same as in 2009.

Beginning with Tax Year 1992, certain smaller businesses could elect not to itemize depreciation and other business deductions by filing Schedule C-EZ, *Net Profit From Business*, a simplified version of Schedule C, *Profit or Loss From Business*. (Schedules C and C-EZ are the sources of nonfarm sole

<sup>8</sup> For 2008, the Economic Stimulus Act of 2008 increased the maximum expensing deduction under section 179 to \$250,000. The American Recovery and Reinvestment Act of 2009 extended that level through 2009. For all individual tax returns that filed Form 4562, *Depreciation and Amortization*, the Section 179 property deducted as an expense increased by 5.1 percent to \$49.8 billion for 2008. For 2009, when the maximum 179 deduction remained at \$250,000, the amount deducted for all returns decreased by 17.2 percent to \$41.3 billion. The amount deducted as section 179 property on returns that had a Schedule C dropped 19.6 percent to \$16.2 billion between 2008 and 2009. For 2010, the amount taxpayers could deduct as section 179 property increased to \$500,000. This was in accordance with the Small Business Jobs and Credit Act of 2010. The amount deducted by returns with a Schedule C increased to \$18.8 billion, representing a 15.6-percent increase from 2009. For 2010, the amount deducted on all individual returns increased to \$49.6 billion, a 20.3-percent increase from 2009. By 2016, this had increased to \$67.6 billion. These numbers do not reflect depreciation solely deducted on the Schedule C, as this could also include depreciation taken on the Schedule E, *Supplemental Income and Loss*, the Schedule F, *Profit or Loss From Farming*, and the Form 4835, *Farm Rental Income and Expenses*.



proprietorship statistics.) For Tax Year 2016, taxpayers could use Schedule C-EZ if they: had business expenses of \$5,000 or less; used the cash accounting method; had no inventories; did not report a loss from the business; had only one business as a sole proprietor; had no employees; were not required to file Form 4562, *Depreciation and Amortization*, for the business; claimed no deduction for home business expenses; and had no prior-year disallowed passive activity losses from the business. Since taxpayers using Schedule C-EZ did not itemize business deductions, the detailed deductions in Table 2, based only on Schedule C returns, are slightly understated and do not sum to the total deductions in Figure C.

For Tax Year 2016, approximately 5.4 million taxpayers filed the Schedule C-EZ. In the administrative and support sector (the sector with the highest percentage of Schedule C-EZ filers), taxpayers filed 0.8 million Schedule C-EZ returns, which made up 30.1 percent of the total sole proprietorship returns for that sector (Figure F).<sup>9</sup> For 2016, business receipts from Schedule C-EZ filers totaled \$42.4 billion, or 3.0 percent of total business receipts reported. Business deductions reported on Schedule C-EZ returns accounted for only 0.5 percent of total business deductions for all industries, or \$5.0 billion of the total \$1,112.8 billion. Despite having the largest concentration of Schedule

C-EZ filers, the receipts and deductions from Schedule C-EZ filers in the administrative and support services sector accounted for only 7.8 percent of that sector's total business receipts and 1.3 percent of that sector's total business deductions.

### Profits and Losses

Total profits decreased 1.1 percent from \$331.8 billion in Tax Year 2015 to \$328.2 billion in Tax Year 2016. By industrial sector, changes to profits were mixed with 7 of the 12 sectors analyzed reporting increased sole proprietorship profits (net income less deficit). The professional, scientific, and technical services sector reported the largest percentage of total profits of all nonfarm sole proprietorships, with 23.7 percent (\$77.7 billion), but had a 6.7-percent decrease in profits for 2016 as compared to the previous year. The second largest sector by profits, health care and social assistance, also reported a decrease in profits over last year, falling 2.9 percent to \$48.4 billion. The largest percentage increase in profits was realized in the arts, entertainment, and recreation sector, which jumped 19.6 percent for a gain of \$1.9 billion. Figure B presents total profits for all industries (in both current and constant dollars) since 1988, while Figures G and H present profits by industrial sector for 2015 and 2016.<sup>10</sup>

**Figure F**

#### All Nonfarm Sole Proprietorship Returns and Those with Schedule C-EZ, by Selected Industrial Sector, Tax Year 2016

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

Selected industrial sector	Number of returns			Total business receipts			Total business deductions [1]		
	Total	With Schedule C-EZ	Percentage of total	Total	On Schedule C-EZ	Percentage of total	Total	On Schedule C-EZ	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<b>All nonfarm industries</b>	<b>25,525.9</b>	<b>5,432.2</b>	<b>21.3</b>	<b>1,422,204.6</b>	<b>42,370.6</b>	<b>3.0</b>	<b>1,094,904.1</b>	<b>4,962.8</b>	<b>0.5</b>
Construction	2,840.0	542.4	19.1	242,073.8	4,674.0	1.9	201,473.7	531.9	0.3
Wholesale trade (merchant wholesalers)	342.7	39.3	11.5	48,439.1	394.0	0.8	43,923.3	38.8	0.1
Retail trade	2,329.5	322.0	13.8	174,647.8	1,677.6	1.0	164,143.6	217.0	0.1
Transportation and warehousing	1,985.0	349.8	17.6	103,400.5	1,746.0	1.7	88,263.8	389.0	0.4
Finance and insurance	609.4	83.7	13.7	76,056.6	656.4	0.9	55,216.2	71.5	0.1
Real estate and rental and leasing	1,282.2	139.7	10.9	82,601.1	1,824.8	2.2	53,520.2	201.5	0.4
Professional, scientific, and technical services	3,466.6	644.6	18.6	188,626.2	6,827.2	3.6	110,999.5	648.4	0.6
Administrative and support and waste management services	2,557.9	770.2	30.1	75,648.0	5,877.3	7.8	54,459.3	725.0	1.3
Health care and social assistance	2,127.3	585.9	27.5	121,086.4	5,598.2	4.6	72,717.2	479.1	0.7
Arts, entertainment, and recreation	1,642.7	399.0	24.3	44,086.6	2,260.5	5.1	32,846.0	340.2	1.0
Other services	3,449.8	815.5	23.6	111,682.9	6,779.8	6.1	81,145.2	849.1	1.0
All other sectors	2,892.7	740.0	25.6	153,855.7	4,054.7	2.6	136,196.2	471.4	0.3

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

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

SOURCE: IRS, Statistics of Income Division, Sole Proprietorship Returns, August 2018.

<sup>9</sup> Based on the NAICS system, the full name of the administrative and support services sector is administrative and support and waste management and remediation services sector. The waste management and remediation services portion makes up a small percentage of the overall numbers reported under this classification, which are detailed in Table 1.

<sup>10</sup> Net income minus deficit (loss) before Federal income tax yields profits. Proprietors compute their tax on total "taxable income," which includes their business profits, plus any other income.

**Figure G**  
**Nonfarm Sole Proprietorship Profits, by Selected Industrial Sector, Tax Years 2015 and 2016**

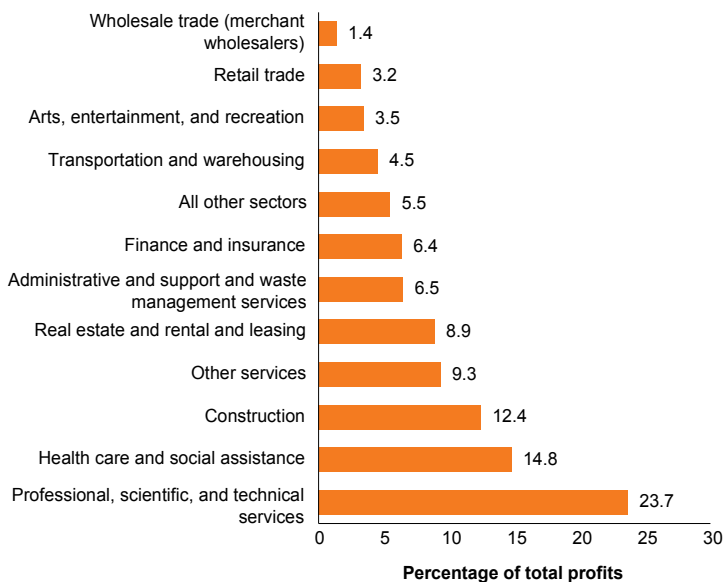
[Money amounts are in billions of dollars]

Selected industrial sector	Net income less deficit (profits)		
	2015	2016	Percentage change
	(1)	(2)	(3)
<b>All nonfarm industries</b>	<b>331.8</b>	<b>328.2</b>	<b>-1.1</b>
Construction	40.0	40.7	1.8
Wholesale trade (merchant wholesalers)	5.1	4.5	-10.4
Retail trade	11.4	10.6	-6.7
Transportation and warehousing	14.6	14.9	1.9
Finance and insurance	20.4	20.9	2.5
Real estate and rental and leasing	28.2	29.2	3.6
Professional, scientific, and technical services	83.3	77.7	-6.7
Administrative and support and waste management services	20.9	21.2	1.7
Health care and social assistance	49.9	48.4	-2.9
Arts, entertainment, and recreation	9.5	11.3	19.6
Other services	29.4	30.6	4.1
All other sectors	19.2	18.0	-6.3

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

SOURCE: IRS, Statistics of Income Division, Sole Proprietorship Returns, August 2018.

**Figure H**  
**Nonfarm Sole Proprietorships: Selected Industrial Sector Profits as a Percentage of Total Profits, Tax Year 2016**



NOTES: Percentages are based on estimated total profits of \$328.2 billion.

Detail may not add to 100 percent because of rounding.

Profits is a designation for "net income less deficit," shown elsewhere in this article.

SOURCE: IRS, Statistics of Income Division, Sole Proprietorship Returns, August 2018.

In constant dollars, total profits fell by 2.4 percent for 2016 (Figure C). Figure I shows net income less deficits as a percentage of business receipts for 1988 through 2016. In general, this percentage has increased over time from a low of 18.8 percent for 1988, the exceptions being the periods leading up to the recession in the early 2000s and the Great Recession, starting in 2008. Since 2010, net income less deficit as a percentage of total business receipts has been between 22.4 percent (2010) and 23.4 percent (2012), dropping slightly to 23.1 percent in 2016. Figure E presents net income and deficit separately for 1988 through 2016 in current and constant dollars. For 2016, net income (in constant dollars) decreased by 2.0 percent and deficit (in constant dollars) decreased by 0.2 percent.

### Limited Liability Companies

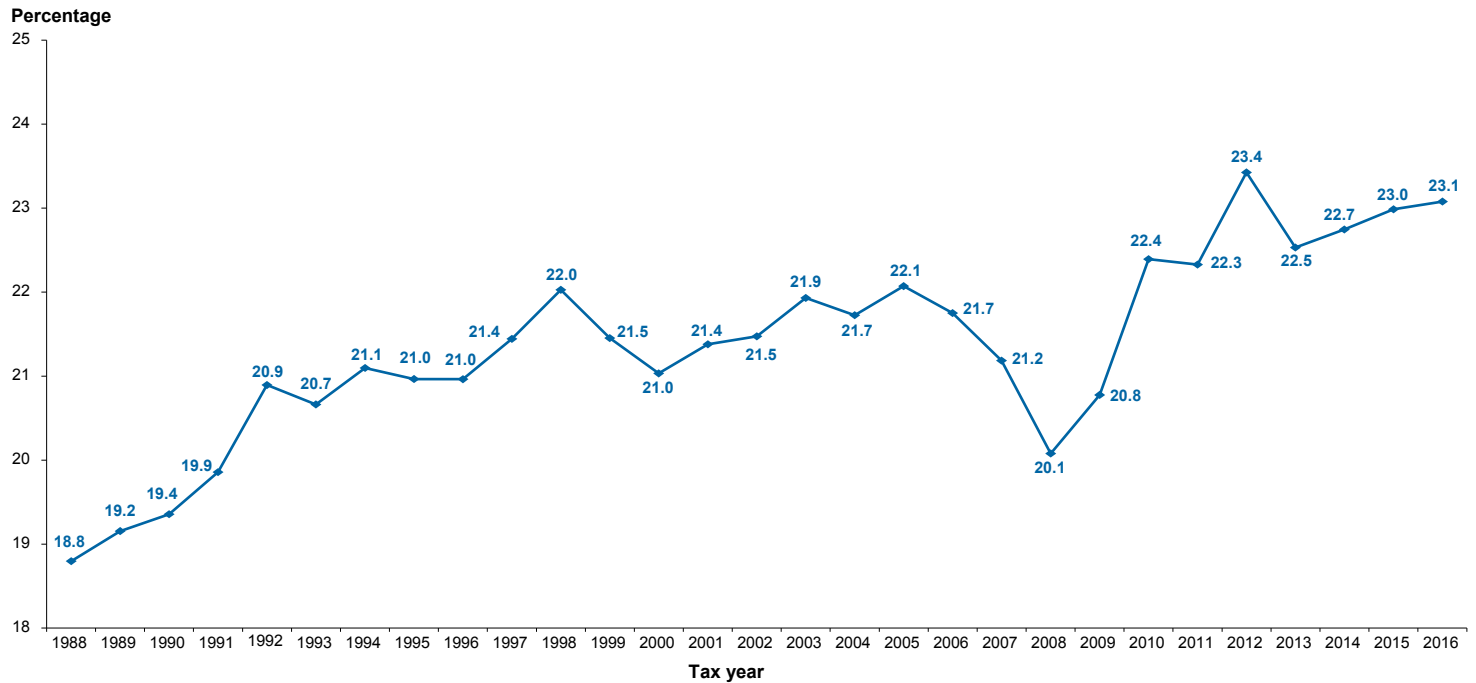
Tax Year 2001 was the first year for which data became available on the number of limited liability companies (LLCs) among nonfarm sole proprietorship returns. LLC entities have limited liability (like corporations), but they may be taxed as sole proprietorships (for which income and expenses flow through to the owner to be taxed), if they are owned by a single individual. In 2001, there were a little over 126,000 sole proprietorship returns that indicated status as an LLC or just 0.7 percent of total sole proprietorship returns (Figure J). In contrast, for Tax Year 2016, there were 1.9 million such sole proprietorships, which accounted for 7.3 percent of the total nonfarm sole proprietorship returns, a nearly 15-fold increase in number of returns since 2001. The share of total nonfarm sole proprietorship business receipts attributed to LLCs has also risen during this period from approximately 2.3 percent in 2001, to 28.1 percent in 2016 (Figure K). Similarly, the portion of total net income (less deficit) of all nonfarm sole proprietorships attributable to LLCs increased from 1.0 percent in 2001, to 15.6 percent in 2016.

### Summary

Profits for the 25.5 million returns with sole proprietorship activity for Tax Year 2016 decreased by 1.1 percent from Tax Year 2015, to a level of \$328.2 billion. In constant dollars, total nonfarm sole proprietorship profits for 2016 decreased 2.4 percent. The professional, scientific, and technical services sector had the largest profits of any sector, at \$77.7 billion, representing 23.7 percent of total sole proprietorship profits, followed by the health care and social assistance sector, at \$48.4 billion or 14.8 percent of total profits. For all sole proprietorships, business receipts decreased 1.5 percent. The largest industrial sector, based on business receipts, was the construction sector, accounting for 17.0 percent of total business receipts (Figure L). The arts, entertainment, and recreation sector had the largest percentage increase in receipts at 12.7 percent. By dollar amount, the retail trade sector and the finance and insurance sector experienced

**Figure I**

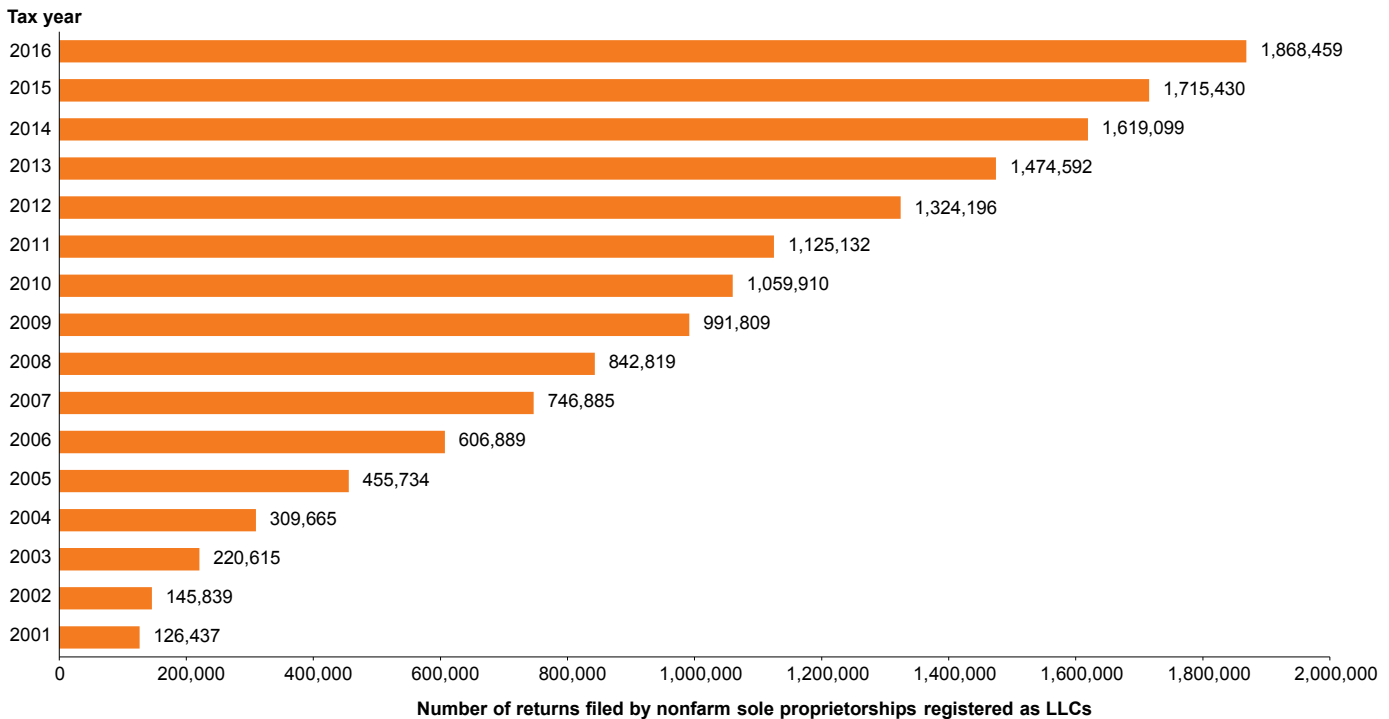
**Nonfarm Sole Proprietorship Net Income Less Deficit (Profits) as a Percentage of Total Business Receipts, Tax Years 1988–2016**



SOURCE: IRS, Statistics of Income Division, Sole Proprietorship Returns, August 2018.

**Figure J**

**Number of Nonfarm Sole Proprietorships Registered as Limited Liability Companies (LLCs), Tax Years 2001–2016**



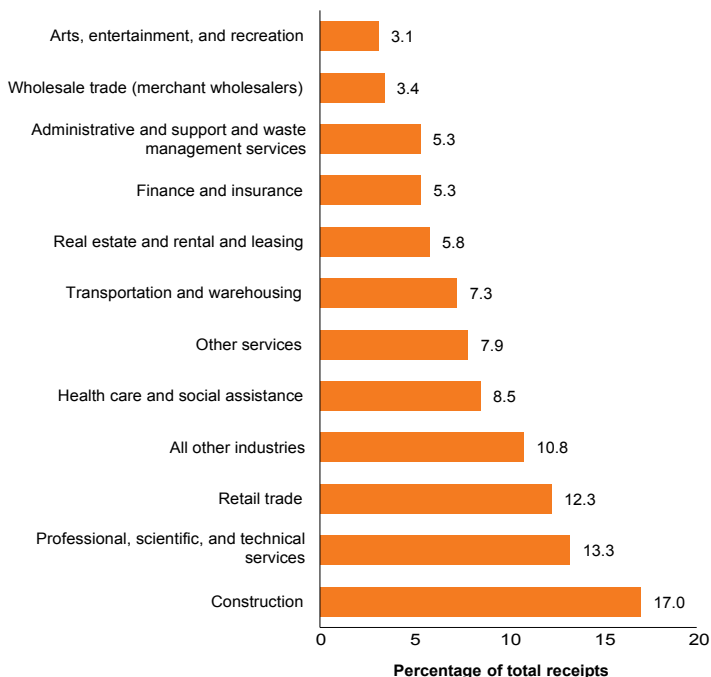
SOURCE: IRS, Statistics of Income Division, Sole Proprietorship Returns, August 2018.

**Figure K****Number of Returns, Business Receipts, and Profits for All Nonfarm Sole Proprietorships and Those Registered As Limited Liability Companies (LLCs), Tax Years 2001–2016**

[Money amounts are in millions of dollars]

Tax year	Number of returns			Total business receipts			Net income less deficit		
	All nonfarm sole proprietorships	Nonfarm sole proprietorships registered as LLCs	LLCs percentage of all nonfarm sole proprietorships	All nonfarm sole proprietorships	Nonfarm sole proprietorships registered as LLCs	LLCs percentage of all nonfarm sole proprietorships	All nonfarm sole proprietorships	Nonfarm sole proprietorships registered as LLCs	LLCs percentage of all nonfarm sole proprietorships
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2001	18,338,190	126,437	0.7	1,016,834,678	23,357,818	2.3	217,385,116	2,259,135	1.0
2002	18,925,517	145,839	0.8	1,029,691,760	39,239,656	3.8	221,113,286	3,378,774	1.5
2003	19,710,079	220,615	1.1	1,050,202,446	55,626,849	5.3	230,308,100	3,847,617	1.7
2004	20,590,691	309,665	1.5	1,139,523,760	82,850,651	7.3	247,567,189	6,743,666	2.7
2005	21,467,566	455,734	2.1	1,222,880,231	119,603,018	9.8	269,919,995	10,902,821	4.0
2006	22,074,953	606,889	2.7	1,278,359,791	151,746,232	11.9	278,032,643	14,270,523	5.1
2007	23,122,698	746,885	3.2	1,324,403,080	185,837,712	14.0	280,557,010	16,235,182	5.8
2008	22,614,483	842,819	3.7	1,317,443,005	205,646,039	15.6	264,508,362	18,215,151	6.9
2009	22,659,976	991,809	4.4	1,178,437,093	205,194,197	17.4	244,821,815	18,522,837	7.6
2010	23,003,656	1,059,910	4.6	1,195,538,629	220,116,934	18.4	267,699,702	23,915,511	8.9
2011	23,426,940	1,125,132	4.8	1,265,939,196	244,024,850	19.3	282,649,926	27,093,827	9.6
2012	23,553,850	1,324,196	5.6	1,301,569,749	291,350,534	22.4	304,895,911	35,841,019	11.8
2013	24,074,684	1,474,592	6.1	1,341,571,082	316,224,871	23.6	302,269,621	37,151,475	12.3
2014	24,631,831	1,619,099	6.6	1,393,884,201	342,093,644	24.5	317,058,087	43,427,440	13.7
2015	25,226,245	1,715,430	6.8	1,443,584,972	370,123,809	25.6	331,832,538	48,902,901	14.7
2016	25,525,915	1,868,459	7.3	1,422,204,586	399,904,053	28.1	328,209,453	51,214,709	15.6

SOURCE: IRS, Statistics of Income Division, Sole Proprietorship Returns, August 2018.

**Figure L****Nonfarm Sole Proprietorships: Selected Industrial Sector Business Receipts as a Percentage of Total Business Receipts, Tax Year 2016**

NOTES: Percentages are based on estimated total business receipts of \$1.4 trillion. Detail may not add to 100 percent because of rounding.

SOURCE: IRS, Statistics of Income Division, Sole Proprietorship Returns, August 2018.

the largest downturns in receipts from Tax Years 2015 to 2016, dropping \$10.1 billion and \$14.0 billion, respectively. For all sole proprietorships, deductions decreased 1.6 percent with the finance and insurance sector having the largest percentage decrease in deductions falling 20.8 percent.

**Data Sources and Limitations**

The 2016 sole proprietorship estimates are based on a stratified probability sample of unaudited individual income tax returns, Form 1040 (including electronically filed returns), processed by the Internal Revenue Service during Calendar Year 2017. Returns in the sample were stratified based on: (1) the presence or absence of Schedule C, *Profit or Loss From Business (Sole Proprietorship)*, or Schedule C-EZ, *Net Profit From Business*, and Schedule F, *Farm Income and Expenses*; (2) the larger of positive income or negative income (i.e., “adjusted gross income” before statutory adjustments); and (3) tax year. The returns were selected at rates that ranged from 0.1 percent to 100 percent. The 2016 nonfarm sole proprietorship data are based on a sample of 93,107 returns and a population of 25,904,575 returns.<sup>11</sup> The corresponding data for 2015 were based on a sample of 90,765 returns and a population of 25,571,122 returns.

<sup>11</sup> The difference between the number of returns in the population and the total number of returns in Tables 1 and 2 is mainly due to returns in which Schedule C income was moved to other income or wages to avoid double counting of taxpayers for Gross Domestic Product calculations. In addition, data from amended and tentative returns are not reflected in these statistics.

Since the data presented in this article are estimates based on a sample of returns filed, they are subject to sampling error. To properly use the statistical data estimates provided, the magnitude of the potential sampling error must be known; coefficients of variation (CVs) are used to measure that magnitude. Figure M presents estimated coefficients of variation for total business receipts, total business deductions, depreciation, net income, and deficit by selected industrial sector. Generally, the smaller the coefficient of variation, the more reliable the estimate is judged to be. The SOI Sampling Methodology and Data Limitations

section of the *SOI Bulletin*, available at <http://www.irs.gov/pub/irs-soi/sampling.pdf>, discusses the reliability of estimates based on samples and the use of coefficients of variation for evaluating the precision of estimates based on samples.

*Adrian Dungan is an economist with the Individual Special Studies Section. This article was prepared under the direction of Victoria Bryant, Acting Chief, with technical assistance provided by Michael Strudler, Chief, Individual Returns Processing and Data Perfection Section.*

**Figure M**

**Nonfarm Sole Proprietorships: Coefficients of Variation for Selected Items, by Selected Industrial Sector, Tax Year 2016**

[Coefficients of variation are in percentages]

Industrial sector	Coefficients of variation				
	Total business receipts	Total business deductions	Depreciation [1]	Net income	Deficit
	(1)	(2)	(3)	(4)	(5)
<b>All industries</b>	0.63	0.72	1.63	0.74	1.50
Construction	2.20	2.34	4.56	2.44	5.82
Wholesale trade	4.84	4.99	11.18	6.88	10.76
Retail trade	2.60	2.61	5.36	3.63	4.26
Transportation and warehousing	2.74	2.76	4.75	3.45	5.90
Finance and insurance	2.52	2.49	9.80	3.93	7.00
Real estate and rental and leasing	2.84	3.28	6.16	3.24	5.21
Professional, scientific, and technical services	1.80	2.22	5.27	1.94	4.66
Administrative and support and waste management services	3.03	3.58	7.76	2.87	6.22
Health care and social assistance	1.95	2.19	5.30	2.34	7.13
Arts, entertainment, and recreation	3.55	3.94	6.27	3.84	5.18
Other services	2.65	3.04	6.03	2.57	5.61
All other industries	2.33	2.38	3.76	2.95	3.69

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

SOURCE: IRS, Statistics of Income Division, Sole Proprietorship Returns, August 2018.

**Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2016**

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

Industrial sector	Businesses with and without net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income less deficit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>All nonfarm industries</b>	<b>25,525,915</b>	<b>1,422,204,586</b>	<b>39,610,060</b>	<b>10,308,934</b>	<b>37,543,375</b>	<b>8,874,953</b>	<b>126,941,320</b>	<b>328,209,453</b>
<b>Agriculture, forestry, hunting, and fishing</b>	<b>297,031</b>	<b>21,199,514</b>	<b>1,812,454</b>	<b>200,916</b>	<b>198,525</b>	<b>254,407</b>	<b>1,845,548</b>	<b>1,704,083</b>
Animal production (including breeding of cats and dogs)	40,722	1,165,708	162,059	2,122	27,663	32,632	72,655	-331,591
Forestry and logging (including forest nurseries, timber tracts)	56,377	5,241,701	659,250	102,505	10,150	74,942	365,492	652,241
Fishing, hunting, and trapping	72,671	3,439,540	369,780	32,384	66,774	41,242	84,050	524,619
Support activities for agriculture and forestry	127,262	11,352,566	621,365	63,905	93,937	105,591	1,323,351	858,814
<b>Mining</b>	<b>113,475</b>	<b>6,993,311</b>	<b>597,231</b>	<b>69,194</b>	<b>45,891</b>	<b>126,203</b>	<b>628,491</b>	<b>105,841</b>
Oil and gas extraction	90,369	4,524,156	382,713	34,875	37,426	93,225	272,993	-119,464
Other mining	5,879	558,140	46,639	12,014	3,828	12,335	65,819	-4,251
Support activities for mining	17,227	1,911,015	167,879	22,305	4,637	20,642	289,679	229,556
<b>Utilities</b>	<b>14,390</b>	<b>669,064</b>	<b>69,780</b>	<b>* 9,162</b>	<b>24,108</b>	<b>8,533</b>	<b>24,883</b>	<b>114,346</b>
<b>Construction</b>	<b>2,840,001</b>	<b>242,073,803</b>	<b>6,521,501</b>	<b>1,336,455</b>	<b>1,691,000</b>	<b>1,177,509</b>	<b>27,811,842</b>	<b>40,749,218</b>
Construction of buildings	585,620	71,484,958	1,369,181	295,564	391,856	390,847	7,701,555	8,884,198
Heavy and civil engineering construction	52,517	7,888,024	511,684	54,506	68,636	110,947	983,156	929,271
Specialty trade contractors	2,201,864	162,700,821	4,640,636	986,384	1,230,508	675,714	19,127,132	30,935,749
<b>Manufacturing</b>	<b>370,081</b>	<b>32,895,561</b>	<b>1,210,503</b>	<b>164,134</b>	<b>1,017,429</b>	<b>360,991</b>	<b>4,246,857</b>	<b>4,021,563</b>
Food manufacturing	46,793	5,607,532	156,787	18,478	229,449	153,249	694,676	315,377
Textile and textile product mills	10,834	525,390	8,931	* 512	* 22,806	** 3,653	63,604	51,482
Apparel	19,152	1,322,835	30,625	** 7,722	43,943	* 16,586	189,978	168,216
Leather and allied products	5,259	126,454	* 3,859	**	* 3,975	**	* 14,754	38,098
Wood products	** 35,303	** 3,426,456	** 145,013	** 16,013	** 41,591	** 22,903	** 331,578	** 481,900
Paper products	**	**	**	**	**	**	**	**
Printing and related support activities	28,597	1,342,367	70,505	16,979	53,490	18,609	170,308	78,557
Petroleum and coal products	2,323	169,167	* 11,324	1,570	* 712	**	* 22,167	491
Chemical manufacturing	18,741	1,395,343	50,791	* 657	33,583	** 2,319	258,641	155,586
Plastic and rubber products	395	377,337	17,168	* 3,670	11,949	**	82,581	21,108
Nonmetallic mineral products	11,453	1,039,299	37,487	** 14,743	** 12,912	** 13,607	78,878	106,132
Primary metal industries	2,420	149,125	* 11,811	**	**	* 946	* 29,047	20,822
Fabricated metal products	26,572	3,535,478	214,338	20,219	69,343	33,553	560,501	545,434
Machinery	24,173	1,846,028	48,737	634	67,053	5,801	239,278	344,615
Computer and electronic products	14,363	924,007	53,502	* 2,408	22,860	7,064	122,018	27,464
Electrical equipment, appliances, and components	9,277	916,114	31,850	* 2,659	8,314	12,949	199,257	124,914
Transportation equipment	10,681	892,760	30,312	* 146	26,899	10,343	126,468	64,780
Furniture and related products	28,173	3,023,451	61,926	46,886	151,490	13,905	395,387	487,134
Miscellaneous manufacturing	75,572	6,276,419	225,538	10,839	217,061	45,503	667,734	989,452
<b>Wholesale trade (merchant wholesalers)</b>	<b>342,687</b>	<b>48,439,075</b>	<b>574,981</b>	<b>222,123</b>	<b>755,099</b>	<b>213,763</b>	<b>2,129,225</b>	<b>4,546,353</b>
Durable goods, including machinery, wood, metals, etc.	155,506	22,073,343	318,022	136,007	342,845	107,592	1,058,592	2,207,240
Nondurable goods, including food, fiber, chemicals, etc.	120,392	21,082,353	227,429	52,925	317,370	96,619	902,058	1,372,230
Wholesale electronic markets and agents and brokers	66,788	5,283,380	29,530	33,190	94,884	9,552	168,576	966,883
<b>Retail trade</b>	<b>2,329,498</b>	<b>174,647,841</b>	<b>2,435,255</b>	<b>651,851</b>	<b>5,173,527</b>	<b>1,001,435</b>	<b>9,733,735</b>	<b>10,600,092</b>
Motor vehicle and parts dealers	131,699	39,400,845	368,517	69,181	521,112	254,610	1,737,342	1,257,406
Furniture and home furnishing stores	30,572	3,981,536	79,320	44,478	185,821	36,948	341,244	362,937
Electronic stores and household appliance stores	11,492	2,749,696	22,188	94,505	64,161	12,520	216,103	156,665
Building material and garden equipment and supplies dealers	31,829	5,764,064	123,944	16,449	110,580	58,552	616,990	597,148
Food and beverage stores	91,973	24,621,568	219,736	59,678	883,699	85,126	1,814,149	875,587
Health and personal care stores	141,684	7,855,981	105,096	34,882	249,777	47,934	547,219	369,885
Gasoline stations	12,887	14,821,487	151,152	11,988	209,192	74,514	698,372	380,782
Clothing and accessories stores	147,740	8,862,339	125,242	50,133	736,349	82,113	702,946	442,362
Sporting goods, hobby, book, and music stores	108,551	6,705,399	153,040	27,781	312,251	52,039	379,352	126,568
General merchandise stores	32,981	3,267,555	38,673	33,176	115,538	7,875	136,188	180,035
Miscellaneous store retailers	627,497	30,688,605	614,299	135,078	1,364,055	159,602	1,943,883	3,046,421
Nonstore retailers	960,593	25,928,766	434,048	74,522	420,992	129,601	599,947	2,804,295

Footnotes at end of table.



**Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2016—Continued**

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

Industrial sector	Businesses with net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
<b>All nonfarm industries</b>	<b>18,959,230</b>	<b>1,225,543,853</b>	<b>25,235,713</b>	<b>7,890,688</b>	<b>29,162,891</b>	<b>5,467,519</b>	<b>101,116,438</b>	<b>389,138,987</b>
<b>Agriculture, forestry, hunting, and fishing</b>	<b>179,185</b>	<b>17,199,944</b>	<b>989,230</b>	<b>148,813</b>	<b>144,696</b>	<b>137,132</b>	<b>1,522,965</b>	<b>3,369,499</b>
Animal production (including breeding of cats and dogs)	10,366	739,907	39,617	* 863	12,419	3,817	57,359	201,344
Forestry and logging (including forest nurseries, timber tracts)	38,203	4,060,537	411,911	78,905	5,602	36,047	255,532	916,187
Fishing, hunting, and trapping	43,612	3,013,842	199,722	* 23,071	55,442	26,854	76,498	802,438
Support activities for agriculture and forestry	87,005	9,385,657	337,980	45,974	71,233	70,413	1,133,575	1,449,530
<b>Mining</b>	<b>67,704</b>	<b>4,405,506</b>	<b>246,421</b>	<b>45,823</b>	<b>14,172</b>	<b>28,010</b>	<b>248,733</b>	<b>1,354,470</b>
Oil and gas extraction	49,936	2,485,900	111,327	20,869	10,469	13,359	63,483	895,474
Other mining	3,838	439,789	26,322	11,076	* 2,085	6,733	48,889	90,050
Support activities for mining	13,930	1,479,817	108,772	13,878	1,617	7,919	136,362	368,947
<b>Utilities</b>	<b>7,568</b>	<b>605,871</b>	<b>27,972</b>	<b>* 1,353</b>	<b>* 21,079</b>	<b>4,556</b>	<b>* 25,004</b>	<b>171,253</b>
<b>Construction</b>	<b>2,372,257</b>	<b>218,171,302</b>	<b>5,140,281</b>	<b>1,132,748</b>	<b>1,429,390</b>	<b>785,434</b>	<b>23,513,881</b>	<b>45,534,242</b>
Construction of buildings	489,637	61,844,820	1,111,651	233,318	315,773	265,269	5,832,349	10,283,441
Heavy and civil engineering construction	37,950	6,273,280	343,668	34,000	49,908	62,704	715,293	1,327,738
Specialty trade contractors	1,844,670	150,053,202	3,684,962	865,430	1,063,708	457,461	16,966,239	33,923,063
<b>Manufacturing</b>	<b>236,253</b>	<b>27,318,712</b>	<b>817,885</b>	<b>104,467</b>	<b>743,741</b>	<b>163,316</b>	<b>3,018,649</b>	<b>5,606,164</b>
Food manufacturing	27,140	4,245,372	85,565	8,130	148,595	22,566	388,795	680,143
Textile and textile product mills	5,978	414,432	* 2,424	** 1,823	* 5,992	* 2,198	* 42,155	92,544
Apparel	11,431	1,029,773	22,942	**	** 37,256	** 14,843	139,366	261,752
Leather and allied products	* 5,058	* 89,837	* 1,513	0	**	**	* 2,726	* 55,508
Wood products	** 25,440	** 3,213,258	** 129,643	** 13,450	** 37,956	** 20,420	** 293,351	** 526,027
Paper products	**	**	**	**	**	**	**	**
Printing and related support activities	11,592	883,999	40,918	794	22,296	4,233	78,316	246,683
Petroleum and coal products	* 1,636	* 129,056	* 6,311	**	* 712	**	* 21,797	* 10,463
Chemical manufacturing	13,607	1,044,558	18,088	** 1,869	26,006	** 1,957	160,536	239,560
Plastic and rubber products	358	315,757	7,153	* 2,524	* 8,758	* 678	* 65,513	38,281
Nonmetallic mineral products	9,036	911,622	** 36,138	** 13,731	** 6,544	** 10,053	** 74,259	146,567
Primary metal industries	* 326	* 103,935	**	**	**	**	**	* 26,221
Fabricated metal products	18,477	3,017,823	154,671	8,217	38,842	26,115	446,208	657,633
Machinery	17,371	1,458,283	39,509	* 332	55,084	1,944	152,973	424,006
Computer and electronic products	5,756	832,766	49,397	* 111	20,456	* 3,060	88,652	114,740
Electrical equipment, appliances, and components	8,089	701,330	24,866	** 2,353	* 4,011	* 10,555	* 112,717	165,017
Transportation equipment	5,376	714,241	* 3,545	**	* 8,151	* 4,933	* 84,318	126,893
Furniture and related products	23,530	2,926,926	46,049	46,795	150,516	11,916	378,563	516,135
Miscellaneous manufacturing	46,052	5,285,743	149,154	4,338	172,565	27,846	488,403	1,277,990
<b>Wholesale trade (merchant wholesalers)</b>	<b>218,211</b>	<b>40,073,313</b>	<b>317,966</b>	<b>167,268</b>	<b>494,306</b>	<b>105,696</b>	<b>1,561,133</b>	<b>6,032,294</b>
Durable goods, including machinery, wood, metals, etc.	99,057	18,414,744	181,725	118,734	210,180	55,408	778,159	2,714,735
Nondurable goods, including food, fiber, chemicals, etc.	75,127	16,974,376	114,814	34,258	205,376	45,193	632,151	2,054,875
Wholesale electronic markets and agents and brokers	44,028	4,684,194	21,427	14,276	78,750	5,095	150,823	1,262,685
<b>Retail trade</b>	<b>1,284,769</b>	<b>141,832,801</b>	<b>1,319,647</b>	<b>433,736</b>	<b>3,386,867</b>	<b>628,034</b>	<b>7,193,260</b>	<b>18,598,124</b>
Motor vehicle and parts dealers	87,445	31,533,572	206,110	50,464	351,595	177,116	1,249,040	1,844,255
Furniture and home furnishing stores	22,434	3,162,953	51,877	24,979	98,116	27,601	250,784	497,514
Electronic stores and household appliance stores	6,923	2,413,770	17,703	* 80,840	33,501	8,523	158,948	200,222
Building material and garden equipment and supplies dealers	20,489	4,971,449	105,083	12,916	88,361	41,427	503,398	707,090
Food and beverage stores	64,173	20,031,830	139,948	43,614	659,800	55,572	1,369,243	1,328,364
Health and personal care stores	72,512	6,445,996	47,439	20,059	191,720	23,073	369,232	992,768
Gasoline stations	7,896	12,474,766	107,619	10,186	177,802	53,144	554,359	453,149
Clothing and accessories stores	75,672	6,636,468	57,169	27,452	449,223	34,905	482,805	1,186,631
Sporting goods, hobby, book, and music stores	56,504	4,427,782	67,217	8,310	185,256	37,850	209,833	603,145
General merchandise stores	18,774	2,535,723	15,337	* 31,003	93,790	4,227	95,825	402,371
Miscellaneous store retailers	371,817	25,276,506	279,325	66,326	789,016	78,087	1,499,939	5,078,996
Nonstore retailers	480,129	21,921,986	224,821	57,589	268,687	86,509	449,854	5,303,619

Footnotes at end of table.

**Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2016—Continued**

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

Industrial sector	Businesses with and without net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income less deficit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>Transportation and warehousing</b>	<b>1,984,991</b>	<b>103,400,451</b>	<b>6,309,087</b>	<b>3,524,852</b>	<b>844,361</b>	<b>783,451</b>	<b>4,654,022</b>	<b>14,926,404</b>
Air and rail transportation	16,884	1,395,269	273,157	7,829	27,788	42,333	85,632	-71,347
Water transportation	5,638	762,096	150,583	11,307	4,403	22,852	134,855	-48,719
Truck transportation	623,265	68,851,259	4,609,921	1,543,829	368,006	487,146	3,262,861	9,620,826
Other transit and ground transportation	** 1,020,896	** 20,416,980	** 696,389	** 1,752,536	** 266,642	** 150,424	** 511,985	** 3,791,564
Pipeline transportation	**	**	**	**	**	**	**	**
Scenic and sightseeing transportation	10,688	490,337	175,168	* 3,241	19,602	11,102	35,773	-32,891
Support activities for transportation (including motor vehicle towing)	62,465	4,026,108	305,515	56,662	86,661	37,076	385,233	280,993
Couriers and messengers	229,829	7,091,955	81,230	144,362	43,543	27,294	180,906	1,386,426
Warehousing and storage facilities	15,326	366,447	17,125	5,084	27,715	5,224	56,777	-449
<b>Information</b>	<b>367,766</b>	<b>11,744,041</b>	<b>320,197</b>	<b>72,564</b>	<b>317,038</b>	<b>64,880</b>	<b>1,025,202</b>	<b>2,333,927</b>
Publishing industries (except internet)	54,718	1,702,220	24,165	5,700	29,299	3,781	180,311	434,649
Motion picture and sound recording	122,541	3,850,279	194,295	48,005	108,973	36,644	439,236	622,201
Broadcasting (except internet) and telecommunications and internet service providers	66,741	3,154,057	44,189	10,989	118,210	13,515	278,046	436,127
Data processing, internet publishing and broadcasting, and web search portals	123,766	3,037,485	57,549	7,869	60,556	10,940	127,608	840,950
<b>Finance and insurance</b>	<b>609,412</b>	<b>76,056,618</b>	<b>721,732</b>	<b>213,310</b>	<b>1,554,863</b>	<b>448,721</b>	<b>5,013,599</b>	<b>20,879,459</b>
Credit intermediation and related activities	33,640	2,389,765	35,964	4,075	71,206	89,802	211,244	598,105
Securities, commodity contracts, and other financial investments	173,466	42,625,116	236,697	99,620	516,263	165,119	1,869,090	8,392,362
Investment bankers and securities dealers	5,979	6,213,122	7,071	5,646	11,636	8,015	40,364	211,932
Securities brokers	13,309	3,363,991	30,226	5,148	26,586	7,497	102,827	870,450
Commodity contracts brokers and dealers	3,662	695,012	1,116	** 142	13,708	802	** 62,412	73,515
Securities and commodity exchanges	1,003	952,876	* 358	**	* 679	* 319	**	8,071
Other financial investment activities (investment advice)	149,512	31,400,116	197,925	88,684	463,654	148,485	1,663,487	7,228,393
Insurance agents, brokers, and related activities	402,306	31,041,737	449,071	109,616	967,394	193,799	2,933,265	11,888,992
Insurance agencies and brokerages	310,944	26,040,881	342,450	101,596	829,461	155,715	2,636,835	9,735,465
Other insurance related activities and other financial vehicles	91,362	5,000,855	106,621	8,020	137,932	38,085	296,430	2,153,527
<b>Real estate and rental and leasing</b>	<b>1,282,230</b>	<b>82,601,087</b>	<b>3,087,995</b>	<b>407,769</b>	<b>1,219,766</b>	<b>980,297</b>	<b>3,069,160</b>	<b>29,166,991</b>
Real estate	1,209,604	77,274,746	1,741,363	313,184	1,102,200	819,092	2,702,314	28,883,614
Lessors of real estate (including miniwarehouses and self storage)	51,244	2,760,329	326,724	15,555	105,723	171,479	190,582	499,410
Offices of real estate agents, brokers, property managers, and appraisers	896,765	52,673,186	882,465	219,701	718,557	344,160	1,643,076	23,126,122
Other activities related to real estate	261,595	21,841,231	532,175	77,929	277,919	303,453	868,655	5,258,082
Rental and leasing services	71,092	5,277,327	** 1,346,631	** 94,584	117,157	161,075	** 366,846	276,444
Automotive equipment rental and leasing	19,377	938,181	270,907	29,161	15,825	24,864	** 43,320	30,558
Consumer electronics and appliances rental	* 2,336	* 70,268	* 20,094	** 623	* 1,701	446	**	* 14,748
Formal wear and costume rental	* 605	* 291	* 927	**	**	0	0	* -14,504
Video tape and disc rental	* 1,761	* 221,107	* 11,695	0	** 28,585	* 5,961	* 47,419	* -865
General rental centers and other consumer goods rental	23,930	1,578,485	209,347	13,565	33,928	33,465	67,365	256,189
Commercial and industrial machinery and equipment rental and leasing	23,082	2,468,995	** 833,661	** 51,236	37,118	96,339	** 208,743	-9,681
Lessors of nonfinancial intangible assets (except copyrighted works)	1,534	49,014	**	**	* 409	* 131	**	6,933
<b>Professional, scientific, and technical services</b>	<b>3,466,550</b>	<b>188,626,180</b>	<b>3,637,262</b>	<b>809,949</b>	<b>4,658,143</b>	<b>802,503</b>	<b>17,263,231</b>	<b>77,705,005</b>
Legal services	347,931	40,868,244	351,707	179,707	1,871,880	180,485	4,715,841	17,591,812
Offices of certified public accountants	36,668	4,056,721	108,381	22,780	149,290	24,558	611,339	1,689,686
Other accounting services	366,590	9,536,589	236,443	55,309	224,137	49,000	939,450	4,017,363
Architectural, engineering, and related services	280,184	16,384,728	577,280	85,919	306,672	84,615	1,876,431	5,121,625
Architectural services	129,573	8,033,296	389,700	39,057	161,352	38,724	1,095,437	2,036,093
Engineering services	90,208	5,824,908	86,970	41,121	124,956	26,943	511,115	2,137,065
Drafting, building inspections, and geophysical surveying	47,176	1,579,742	26,690	** 5,546	* 7,734	13,556	143,156	756,995
Surveying and mapping (except geophysical) services	7,272	434,146	* 47,544	**	* 3,803	* 591	* 67,200	128,156

Footnotes at end of table.

**Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2016—Continued**

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

Industrial sector	Businesses with net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
<b>Transportation and warehousing</b>	<b>1,525,305</b>	<b>86,413,509</b>	<b>4,050,858</b>	<b>2,909,351</b>	<b>603,149</b>	<b>497,736</b>	<b>3,054,492</b>	<b>19,285,687</b>
Air and rail transportation	7,922	1,019,103	30,334	3,249	13,133	6,717	54,689	225,889
Water transportation	4,832	262,126	15,442	* 10,324	* 2,411	* 2,062	* 41,635	71,584
Truck transportation	509,600	57,529,080	3,267,486	1,208,962	285,944	352,606	2,177,347	11,349,224
Other transit and ground transportation	** 770,157	** 18,256,138	** 474,952	** 1,574,690	** 177,311	** 110,690	** 371,681	** 5,318,351
Pipeline transportation	**	**	**	**	**	**	**	**
Scenic and sightseeing transportation	4,993	368,855	58,127	* 3,204	10,410	6,345	33,987	77,557
Support activities for transportation (including motor vehicle towing)	42,516	2,806,794	128,143	22,738	68,337	14,258	238,983	462,382
Couriers and messengers	174,455	5,938,407	66,100	84,904	31,714	2,854	123,054	1,688,517
Warehousing and storage facilities	10,829	233,006	10,275	1,280	13,891	* 2,205	* 13,115	92,182
<b>Information</b>	<b>251,891</b>	<b>9,631,263</b>	<b>161,995</b>	<b>45,270</b>	<b>248,010</b>	<b>35,394</b>	<b>613,931</b>	<b>3,663,219</b>
Publishing industries (except internet)	39,242	1,408,409	18,773	2,204	23,238	1,155	64,458	611,957
Motion picture and sound recording	81,574	3,137,570	78,503	25,944	69,062	26,738	313,460	1,255,260
Broadcasting (except internet) and telecommunications and internet service providers	42,104	2,466,908	19,758	9,740	103,558	5,371	154,809	668,465
Data processing, internet publishing and broadcasting, and web search portals	88,971	2,618,375	44,961	7,382	52,151	2,130	81,204	1,127,537
<b>Finance and insurance</b>	<b>427,646</b>	<b>53,614,473</b>	<b>492,206</b>	<b>142,376</b>	<b>1,347,153</b>	<b>300,221</b>	<b>4,221,300</b>	<b>23,378,008</b>
Credit intermediation and related activities	23,741	2,064,603	14,755	3,786	63,643	51,073	197,567	791,827
Securities, commodity contracts, and other financial investments	113,425	23,735,474	117,264	52,979	411,907	72,947	1,390,249	9,763,822
Investment bankers and securities dealers	3,786	1,039,585	3,976	* 5,271	10,410	4,932	38,412	289,891
Securities brokers	10,500	2,952,194	13,111	5,018	20,658	3,498	82,933	914,723
Commodity contracts brokers and dealers	1,731	467,041	826	* 16	3,061	* 266	* 11,777	219,922
Securities and commodity exchanges	* 157	* 122,867	**	**	**	* 101	**	* 23,599
Other financial investment activities (investment advice)	97,251	19,153,786	** 99,351	** 42,674	** 377,779	64,149	** 1,257,127	8,315,687
Insurance agents, brokers, and related activities	290,479	27,814,396	360,188	85,612	871,603	176,201	2,633,485	12,822,359
Insurance agencies and brokerages	226,250	23,232,556	270,637	81,213	748,903	144,561	2,409,198	10,465,348
Other insurance related activities and other financial vehicles	64,230	4,581,840	89,551	4,399	122,700	31,641	224,287	2,357,011
<b>Real estate and rental and leasing</b>	<b>873,619</b>	<b>72,589,233</b>	<b>1,443,223</b>	<b>285,204</b>	<b>880,882</b>	<b>509,716</b>	<b>2,255,760</b>	<b>33,679,724</b>
Real estate	834,303	68,944,423	1,001,951	242,761	818,054	442,139	2,045,432	32,609,417
Lessors of real estate (including miniwarehouses and self storage)	26,661	2,193,004	108,574	2,136	101,658	78,528	89,352	919,561
Offices of real estate agents, brokers, property managers, and appraisers	638,100	48,706,501	597,840	191,760	514,961	222,954	1,362,815	25,065,303
Other activities related to real estate	169,542	18,044,918	295,538	48,865	201,436	140,657	593,265	6,624,553
Rental and leasing services	38,149	3,614,627	** 441,272	** 42,442	** 62,828	67,577	210,328	1,058,929
Automotive equipment rental and leasing	12,185	678,090	** 164,689	** 4,178	** 15,559	** 16,928	** 28,069	151,603
Consumer electronics and appliances rental	* 1,318	* 42,912	**	**	**	**	**	* 19,897
Formal wear and costume rental	0	0	0	0	0	0	0	0
Video tape and disc rental	* 1,314	* 105,273	**	0	**	**	**	* 23,141
General rental centers and other consumer goods rental	10,912	1,194,624	** 93,266	* 9,162	** 26,496	** 22,134	** 66,924	419,887
Commercial and industrial machinery and equipment rental and leasing	12,421	1,593,728	** 183,317	** 29,103	** 20,774	28,515	115,334	444,401
Lessors of nonfinancial intangible assets (except copyrighted works)	* 1,167	* 30,183	**	**	**	0	0	* 11,378
<b>Professional, scientific, and technical services</b>	<b>2,569,905</b>	<b>174,424,916</b>	<b>2,539,782</b>	<b>635,789</b>	<b>3,870,399</b>	<b>575,787</b>	<b>14,874,152</b>	<b>85,325,983</b>
Legal services	284,319	39,351,795	325,466	172,515	1,734,649	136,726	4,224,676	18,246,729
Offices of certified public accountants	26,966	3,687,286	35,433	22,731	115,378	17,915	575,334	1,776,951
Other accounting services	296,417	8,731,510	182,158	47,883	167,624	33,689	797,691	4,478,754
Architectural, engineering, and related services	215,083	14,609,649	438,996	66,950	211,161	63,167	1,579,565	5,775,387
Architectural services	104,379	7,141,613	284,629	29,313	124,813	35,450	925,303	2,352,942
Engineering services	64,281	5,090,762	69,423	36,400	67,823	9,453	413,457	2,390,165
Drafting, building inspections, and geophysical surveying	36,706	1,489,766	11,372	** 1,161	* 7,178	12,872	144,220	807,492
Surveying and mapping (except geophysical) services	5,193	416,270	* 47,404	**	* 3,020	* 591	* 61,593	135,531

Footnotes at end of table.

**Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2016—Continued**

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

Industrial sector	Businesses with and without net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income less deficit
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Testing laboratories	5,954	512,638	* 26,377	* 195	8,827	* 4,801	* 59,522	63,317
Specialized design services	265,140	10,336,499	256,565	34,543	319,375	37,424	476,247	2,442,433
Computer systems design services	280,871	12,403,274	188,635	23,043	111,094	29,293	1,495,775	5,087,334
Other professional, scientific, and technical services	1,889,165	95,040,125	1,918,250	408,647	1,675,694	397,127	7,148,148	41,754,752
Management, scientific, and technical consulting services	930,088	50,476,497	834,293	170,941	739,829	204,546	3,214,921	26,238,310
Scientific research and development services	50,157	1,199,653	34,493	3,520	39,234	6,732	98,113	435,941
Advertising and related services	131,964	8,196,172	113,129	41,617	215,521	32,070	426,361	2,284,589
Market research and public opinion polling	42,940	1,195,734	6,250	3,513	31,603	* 93	160,196	331,023
Other miscellaneous services	734,017	33,972,069	930,085	189,056	649,507	153,686	3,248,557	12,464,889
<b>Administrative and support and waste management services</b>	<b>2,557,938</b>	<b>75,647,974</b>	<b>2,787,303</b>	<b>508,452</b>	<b>811,179</b>	<b>374,190</b>	<b>8,201,652</b>	<b>21,240,361</b>
Administrative and support services	2,538,754	72,981,513	2,556,426	494,050	779,599	347,505	7,855,013	21,014,858
Waste management and remediation services	19,183	2,666,461	230,877	14,402	31,580	26,685	346,639	225,503
<b>Educational services</b>	<b>823,153</b>	<b>12,991,265</b>	<b>261,145</b>	<b>66,852</b>	<b>808,232</b>	<b>56,478</b>	<b>892,877</b>	<b>4,501,012</b>
<b>Health care and social assistance</b>	<b>2,127,345</b>	<b>121,086,389</b>	<b>2,291,994</b>	<b>521,552</b>	<b>5,497,095</b>	<b>738,700</b>	<b>18,044,885</b>	<b>48,449,274</b>
Ambulatory health care services	1,234,900	97,997,476	1,805,278	382,975	4,468,064	517,801	14,896,368	40,513,212
Offices of physicians (except mental health specialists)	191,001	31,370,296	415,897	123,144	1,164,598	106,210	4,259,927	14,789,444
Offices of physicians, mental health specialists	38,021	3,882,589	52,459	11,126	219,990	7,822	184,414	2,287,535
Offices of dentists	68,359	24,440,334	730,064	78,439	1,027,595	250,582	6,008,765	7,534,852
Offices of chiropractors	35,978	4,077,356	87,667	13,275	376,519	42,412	442,097	1,476,815
Offices of optometrists	20,172	4,086,358	75,924	11,985	260,568	26,013	757,850	1,170,733
Offices of mental health practitioners and social therapists	201,148	11,125,667	94,492	50,659	692,722	19,828	1,059,389	5,796,567
Offices of podiatrists	4,486	1,002,086	11,953	* 4,681	77,475	* 3,759	109,455	462,201
Outpatient care centers and other miscellaneous health practitioners	220,260	7,301,927	179,123	50,774	365,856	24,207	505,509	3,131,089
Medical and diagnostic laboratories	23,030	1,082,985	30,806	4,364	55,828	2,679	118,456	322,238
Home health care services	387,945	7,912,267	81,974	28,954	191,357	26,135	1,184,880	2,892,202
Other ambulatory health care services (including ambulance services, blood and organ banks)	44,500	1,715,610	44,918	5,574	35,556	8,154	265,625	649,535
Hospitals	7,853	546,570	9,999	* 3,390	7,440	* 2,170	* 55,884	251,149
Nursing and residential care facilities	69,933	5,232,008	119,536	41,346	325,887	106,055	1,457,786	623,368
Social assistance	814,658	17,310,335	357,180	93,841	695,705	112,674	1,634,848	7,061,545
<b>Arts, entertainment, and recreation</b>	<b>1,642,700</b>	<b>44,086,606</b>	<b>1,762,129</b>	<b>317,421</b>	<b>1,663,518</b>	<b>180,132</b>	<b>2,119,455</b>	<b>11,325,415</b>
Performing arts, spectator sports, and related industries	1,367,392	32,095,805	1,180,744	186,938	916,837	96,659	1,099,333	10,216,830
Museums, historical sites, and similar institutions	5,291	115,733	* 1,153	* 10	* 815	* 305	* 4,742	56,133
Amusement, gambling, and recreation industries	270,018	11,875,068	580,233	130,473	745,865	83,167	1,015,380	1,052,452
<b>Accommodation, food services, and drinking places</b>	<b>487,183</b>	<b>62,821,629</b>	<b>2,187,806</b>	<b>292,164</b>	<b>3,868,164</b>	<b>707,372</b>	<b>11,322,098</b>	<b>3,583,469</b>
Accommodation	70,618	6,699,754	778,708	17,947	214,394	374,954	721,931	324,492
Travel accommodation (including hotels, motels, and bed and breakfast inns)	40,359	5,099,806	616,308	11,719	138,686	303,480	622,028	278,648
RV (recreational vehicle) parks and recreational camps	17,274	814,784	101,667	2,972	45,548	36,915	42,020	12,240
Rooming and boarding houses	12,984	785,163	60,733	* 3,256	30,160	34,559	57,882	33,605
Restaurants (full & limited service) and drinking places	416,565	56,121,875	1,409,098	274,217	3,653,770	332,418	10,600,168	3,258,977
<b>Other services</b>	<b>3,449,846</b>	<b>111,682,880</b>	<b>2,914,917</b>	<b>882,348</b>	<b>7,268,874</b>	<b>559,110</b>	<b>8,874,569</b>	<b>30,626,814</b>
Auto repair and maintenance	393,785	27,947,917	1,020,265	131,312	1,320,260	225,466	2,957,175	3,719,998
Automotive mechanical and electrical repair and maintenance	210,964	13,454,867	494,438	83,719	719,125	96,415	1,342,934	1,714,490
Automotive body shops	76,677	7,687,621	233,634	34,308	224,768	54,488	885,087	1,035,302
Other auto repair and maintenance (including oil change, lubrication, and car washes)	106,144	6,805,429	292,193	13,285	376,367	74,563	729,154	970,206
Miscellaneous repairs	399,947	17,516,896	566,924	118,153	344,077	68,924	1,757,752	3,416,808
Personal and laundry services	2,374,522	61,293,524	1,279,357	620,906	5,429,820	261,482	4,046,243	21,140,746
Religious, grantmaking, civic, professional and similar organizations	281,592	4,924,543	48,371	* 11,978	174,718	3,238	* 113,399	2,349,262
<b>Unclassified establishments</b>	<b>419,638</b>	<b>4,541,298</b>	<b>106,788</b>	<b>37,867</b>	<b>126,565</b>	<b>36,278</b>	<b>39,986</b>	<b>1,629,828</b>

Footnotes at end of table.

**Table 1. Nonfarm Sole Proprietorships: Business Receipts, Selected Deductions, Payroll, and Net Income, by Industrial Sectors, Tax Year 2016—Continued**

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

Industrial sector	Businesses with net income							
	Number of returns	Business receipts	Depreciation deduction [1,2]	Rent paid on machinery and equipment [1]	Rent paid on other business property [1]	Interest paid deduction [1,3]	Payroll [1,4]	Net income
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Testing laboratories	4,523	471,238	* 26,167	* 77	* 8,327	* 4,801	* 34,991	89,256
Specialized design services	178,935	9,337,195	175,466	18,635	269,225	31,404	443,805	3,010,594
Computer systems design services	208,161	11,340,674	122,932	14,314	89,676	25,735	1,206,478	5,672,367
Other professional, scientific, and technical services	1,360,024	87,366,806	1,259,332	292,761	1,282,686	267,151	6,046,603	46,365,200
Management, scientific, and technical consulting services	659,397	47,311,044	504,969	108,116	530,280	126,511	2,680,259	29,063,727
Scientific research and development services	42,728	1,037,153	14,383	2,192	33,780	* 5,179	65,944	568,931
Advertising and related services	98,164	7,599,009	86,975	34,329	185,172	20,516	389,794	2,574,061
Market research and public opinion polling	30,143	1,163,584	2,287	3,513	25,751	* 80	159,691	373,704
Other miscellaneous services	529,592	30,256,017	650,718	144,611	507,704	114,865	2,750,916	13,784,776
<b>Administrative and support and waste management services</b>	<b>2,078,451</b>	<b>66,967,199</b>	<b>1,858,303</b>	<b>315,778</b>	<b>551,221</b>	<b>256,135</b>	<b>6,435,552</b>	<b>25,529,488</b>
Administrative and support services	2,063,951	64,716,737	1,699,281	309,155	531,310	236,951	6,148,142	25,200,484
Waste management and remediation services	14,500	2,250,462	159,022	6,624	19,911	19,185	287,409	329,004
<b>Educational services</b>	<b>634,246</b>	<b>11,503,570</b>	<b>136,389</b>	<b>43,528</b>	<b>578,268</b>	<b>25,778</b>	<b>627,760</b>	<b>5,536,357</b>
<b>Health care and social assistance</b>	<b>1,770,937</b>	<b>111,659,319</b>	<b>1,750,219</b>	<b>421,438</b>	<b>4,788,488</b>	<b>573,594</b>	<b>15,451,207</b>	<b>51,715,888</b>
Ambulatory health care services	1,005,025	91,783,694	1,454,737	315,654	4,014,394	441,319	13,296,900	42,726,775
Offices of physicians (except mental health specialists)	161,192	29,282,922	355,918	106,677	1,094,014	87,335	3,635,606	15,144,315
Offices of physicians, mental health specialists	31,221	3,792,223	41,960	10,573	197,294	7,263	164,944	2,338,649
Offices of dentists	60,777	23,567,595	579,880	74,246	978,765	227,913	5,739,582	7,735,881
Offices of chiropractors	31,655	3,985,563	86,725	12,541	352,153	41,692	424,250	1,509,150
Offices of optometrists	16,922	3,633,077	70,805	10,649	234,305	24,164	664,188	1,186,947
Offices of mental health practitioners and social therapists	168,389	10,550,661	79,302	47,886	634,155	16,709	946,450	5,941,050
Offices of podiatrists	3,500	933,864	11,890	* 4,681	77,475	* 3,786	106,914	466,397
Outpatient care centers and other miscellaneous health practitioners	168,754	6,519,218	133,228	32,391	282,388	14,383	388,830	3,581,063
Medical and diagnostic laboratories	20,617	909,962	17,383	3,426	22,898	1,870	91,758	370,752
Home health care services	305,973	7,045,740	44,235	9,185	106,832	9,646	891,377	3,758,777
Other ambulatory health care services (including ambulance services, blood and organ banks)	36,025	1,562,870	33,412	3,399	34,116	6,558	243,002	693,795
Hospitals	6,250	443,992	3,887	* 2,904	* 2,254	* 1,363	* 45,435	259,197
Nursing and residential care facilities	56,440	3,706,509	43,036	35,386	181,580	39,660	789,137	1,065,866
Social assistance	703,222	15,725,123	248,559	67,494	590,260	91,252	1,319,735	7,664,050
<b>Arts, entertainment, and recreation</b>	<b>1,101,487</b>	<b>36,300,772</b>	<b>861,613</b>	<b>205,712</b>	<b>1,078,389</b>	<b>89,223</b>	<b>1,238,376</b>	<b>15,564,997</b>
Performing arts, spectator sports, and related industries	906,318	27,885,344	** 625,919	** 125,243	612,440	** 59,947	** 754,756	13,516,412
Museums, historical sites, and similar institutions	* 4,216	* 108,767	**	**	0	**	**	* 68,700
Amusement, gambling, and recreation industries	190,952	8,306,660	235,694	80,470	465,949	29,276	483,620	1,979,885
<b>Accommodation, food services, and drinking places</b>	<b>312,182</b>	<b>49,278,101</b>	<b>1,173,071</b>	<b>209,962</b>	<b>2,835,114</b>	<b>379,103</b>	<b>8,142,929</b>	<b>6,255,759</b>
Accommodation	45,257	4,686,268	381,482	8,170	110,551	180,417	439,566	929,288
Travel accommodation (including hotels, motels, and bed and breakfast inns)	24,500	3,597,633	291,378	6,961	77,463	152,509	356,231	713,593
RV (recreational vehicle) parks and recreational camps	11,083	519,445	56,768	* 69	* 19,209	* 13,776	36,872	127,429
Rooming and boarding houses	9,674	569,190	33,336	* 1,140	* 13,880	14,131	46,462	88,266
Restaurants (full & limited service) and drinking places	266,925	44,591,833	791,589	201,791	2,724,563	198,686	7,703,363	5,326,471
<b>Other services</b>	<b>2,714,094</b>	<b>99,824,371</b>	<b>1,865,511</b>	<b>615,548</b>	<b>6,087,878</b>	<b>356,258</b>	<b>7,101,036</b>	<b>36,035,994</b>
Auto repair and maintenance	288,376	23,629,139	691,379	89,287	1,054,854	149,501	2,376,712	4,704,320
Automotive mechanical and electrical repair and maintenance	153,858	11,704,249	354,872	67,583	593,197	68,259	1,073,182	2,281,708
Automotive body shops	61,273	6,678,256	165,585	15,382	182,224	40,354	744,536	1,163,557
Other auto repair and maintenance (including oil change, lubrication, and car washes)	73,246	5,246,634	170,922	6,322	279,434	40,889	558,995	1,259,054
Miscellaneous repairs	288,346	15,342,961	304,469	73,819	249,803	51,650	1,270,804	4,316,712
Personal and laundry services	1,916,689	56,281,463	836,675	452,128	4,630,557	148,766	3,343,517	24,381,554
Religious, grantmaking, civic, professional and similar organizations	220,683	4,570,808	32,989	* 314	152,664	* 6,342	* 110,002	2,633,408
<b>Unclassified establishments</b>	<b>333,519</b>	<b>3,729,681</b>	<b>43,142</b>	<b>26,524</b>	<b>59,690</b>	<b>16,393</b>	<b>16,319</b>	<b>2,501,838</b>

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

\*\* Data combined to prevent disclosure of taxpayer information.

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

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

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

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

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

SOURCE: IRS, Statistics of Income Division, Sole Proprietorship Returns 2016, August 2018.



**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016**

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

Net income status, item	All nonfarm industries	Agriculture, forestry, hunting and fishing				
		Total	Animal production (including breeding of cats and dogs)	Forestry and logging (including forest nurseries, timber tracts)	Fishing, hunting, and trapping	Support activities for agriculture and forestry
	(1)	(2)	(3)	(4)	(5)	(6)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>						
<b>Number of returns [1]</b>	<b>25,525,915</b>	<b>297,031</b>	<b>40,722</b>	<b>56,377</b>	<b>72,671</b>	<b>127,262</b>
<b>Business receipts, total [1,2]</b>	<b>1,422,204,586</b>	<b>21,199,514</b>	<b>1,165,708</b>	<b>5,241,701</b>	<b>3,439,540</b>	<b>11,352,566</b>
Income from sales and operations [1]	1,404,235,056	20,749,876	1,108,316	5,104,257	3,308,247	11,229,057
Other business income (loss) [1]	17,969,530	449,639	57,392	137,444	131,294	123,509
<b>Business deductions, total [1,2]</b>	<b>1,094,904,101</b>	<b>19,513,735</b>	<b>1,503,553</b>	<b>4,589,283</b>	<b>2,918,071</b>	<b>10,502,828</b>
Cost of sales and operations, total	410,648,959	7,500,411	282,196	1,325,258	749,666	5,143,291
Inventory, beginning of year	40,996,287	602,265	231,199	146,691	* 25,923	198,452
Cost of labor	36,005,268	382,401	* 11,090	129,504	58,017	183,790
Purchases	239,341,682	5,362,388	187,410	763,851	532,580	3,878,547
Materials and supplies	64,083,272	473,731	36,876	57,691	88,525	290,640
Other costs	72,793,454	1,373,412	49,987	414,792	78,230	830,403
Inventory, end of year	42,571,004	693,786	234,366	187,271	33,609	238,539
Advertising expenses	16,189,658	117,255	30,232	7,520	28,281	51,222
Car and truck expenses	88,617,433	1,005,222	89,228	272,999	187,065	455,930
Commissions	16,350,703	59,883	13,569	5,016	13,955	27,343
Contract labor	56,858,822	967,960	40,576	385,970	179,004	362,410
Depletion	430,360	3,292	* 671	* 2,583	0	* 38
Depreciation	38,403,988	1,804,240	159,377	658,771	368,550	617,541
Employee benefit programs	2,891,865	12,506	1,150	2,854	413	8,090
Insurance	19,965,726	445,688	15,502	157,801	66,588	205,797
Legal and professional services	13,068,456	143,768	15,986	20,456	59,436	47,890
Meals and entertainment deducted	10,450,719	73,291	9,691	9,254	20,299	34,047
Mortgage interest	3,153,261	90,277	12,354	17,646	11,785	48,493
Other interest paid on business indebtedness	5,721,692	164,130	20,278	57,297	29,457	57,098
Office expenses	13,432,643	88,188	7,102	26,040	10,484	44,561
Pension and profit-sharing plans	1,158,099	4,815	* 869	* 1,253	[4]	* 2,692
Rent paid on machinery and equipment	10,308,934	200,916	2,122	102,505	32,384	63,905
Rent paid on other business property	37,543,375	198,525	27,663	10,150	66,774	93,937
Repairs	18,437,815	657,987	42,502	252,595	137,810	225,080
Supplies	39,079,658	620,926	60,896	128,901	184,637	246,492
Salaries and wages	90,936,052	1,463,147	61,565	235,988	26,032	1,139,562
Taxes paid	19,600,445	316,749	14,067	68,910	41,937	191,835
Travel	16,573,132	184,493	30,162	24,279	42,976	87,076
Utilities	31,602,681	329,636	36,811	70,713	52,345	169,766
Other business expenses	118,666,292	2,969,658	516,496	728,813	594,568	1,129,781
Home office business deductions, total	9,853,478	65,121	* 10,048	14,827	9,588	30,658
<b>Net income less deficit [1,2]</b>	<b>328,209,453</b>	<b>1,704,083</b>	<b>-331,591</b>	<b>652,241</b>	<b>524,619</b>	<b>858,814</b>
Net income [1,2]	389,138,987	* 3,369,499	201,344	916,187	* 802,438	* 1,449,530
Deficit [2]	60,929,533	1,665,416	* 532,935	* 263,946	* 277,819	590,715
<b>Returns with Schedule C-EZ:</b>						
Number of returns	5,432,242	48,517	* 3,337	* 5,193	10,869	29,118
Business receipts	42,370,565	243,824	* 9,526	* 12,251	48,084	173,963
Business deductions	4,962,814	25,652	* 2,439	* 884	4,033	18,296
Net income	37,407,751	218,171	* 7,087	* 11,367	44,051	155,667

Footnotes at end of table.



**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Mining				Utilities	Construction			
	Total	Oil and gas extraction	Other mining	Support activities for mining	Total	Total	Construction of buildings	Heavy and civil engineering construction	Specialty trade contractors
	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>									
Number of returns [1]	113,475	90,369	5,879	17,227	14,390	2,840,001	585,620	52,517	2,201,864
Business receipts, total [1,2]	6,993,311	4,524,156	558,140	1,911,015	669,064	242,073,803	71,484,958	7,888,024	162,700,821
Income from sales and operations [1]	6,689,317	4,241,879	546,269	1,901,169	666,363	240,489,549	70,844,382	7,642,982	162,002,185
Other business income (loss) [1]	303,994	282,276	11,872	9,846	2,701	1,584,254	640,576	245,042	698,636
Business deductions, total [1,2]	6,893,110	4,649,374	562,392	1,681,344	557,652	201,473,661	62,645,487	6,985,046	131,843,127
Cost of sales and operations, total	1,469,367	883,433	267,446	318,488	99,651	98,244,800	39,488,740	3,908,038	54,848,023
Inventory, beginning of year	343,659	132,735	151,954	* 58,970	**	4,939,900	2,984,891	896,616	1,058,393
Cost of labor	124,148	29,192	* 24,840	* 70,116	**	16,845,799	5,342,581	673,517	10,829,701
Purchases	284,046	84,112	61,377	138,528	* 72,292	26,912,763	10,355,414	1,160,679	15,396,670
Materials and supplies	127,200	79,382	* 12,958	34,860	* 19,366	35,003,540	12,295,064	571,610	22,136,865
Other costs	820,467	693,643	59,773	67,051	* 6,882	19,468,171	11,520,880	1,541,879	6,405,412
Inventory, end of year	230,122	135,630	43,456	51,036	**	4,925,373	3,010,091	936,264	979,018
Advertising expenses	11,003	5,969	1,199	3,835	3,364	1,159,834	219,571	32,223	908,041
Car and truck expenses	262,241	139,156	13,900	109,185	101,652	15,976,506	3,264,303	269,031	12,443,172
Commissions	39,606	25,567	* 308	* 13,731	* 3,708	771,583	179,797	19,140	572,647
Contract labor	257,040	145,395	4,725	106,920	60,656	22,481,426	5,405,478	325,204	16,750,743
Depletion	305,736	293,983	10,569	1,184	* 913	52,375	20,822	* 132	31,422
Depreciation	595,547	382,162	46,639	166,746	69,542	6,412,071	1,341,807	511,273	4,558,990
Employee benefit programs	15,785	7,555	4,983	3,248	* 291	343,076	74,418	18,523	250,134
Insurance	142,494	72,762	11,609	58,123	12,128	4,293,402	904,147	175,135	3,214,120
Legal and professional services	115,244	96,244	8,689	10,312	8,801	1,183,898	345,186	113,912	724,800
Meals and entertainment deducted	20,219	10,388	155	9,676	3,447	991,506	180,755	28,833	781,918
Mortgage interest	18,641	10,054	* 3,563	5,024	* 2,594	343,378	144,738	55,301	143,339
Other interest paid on business indebtedness	107,562	83,171	8,773	15,618	5,939	834,131	246,109	55,646	532,375
Office expenses	43,475	28,810	2,151	12,514	2,567	1,158,368	244,963	26,224	887,181
Pension and profit-sharing plans	7,216	3,454	** 3,762	**	**	54,439	11,352	8,130	34,957
Rent paid on machinery and equipment	69,194	34,875	12,014	22,305	9,162	1,336,455	295,564	54,506	986,384
Rent paid on other business property	45,891	37,426	3,828	4,637	24,108	1,691,000	391,856	68,636	1,230,508
Repairs	122,930	47,643	34,939	40,347	20,887	2,092,223	402,183	151,025	1,539,014
Supplies	79,814	31,047	13,601	35,167	25,584	10,128,113	2,089,555	160,210	7,878,347
Salaries and wages	504,343	243,802	40,979	219,563	24,883	10,966,043	2,358,973	309,639	8,297,430
Taxes paid	181,646	144,332	13,604	23,710	11,284	2,312,826	531,186	128,384	1,653,256
Travel	74,915	39,443	865	34,607	5,857	1,358,804	257,517	79,950	1,021,337
Utilities	120,633	72,427	6,513	41,694	16,489	3,319,734	702,397	78,022	2,539,315
Other business expenses	2,253,066	1,797,133	47,651	408,282	39,938	12,433,902	3,207,642	384,205	8,842,055
Home office business deductions, total	23,999	9,272	0	14,726	* 2,240	1,001,842	207,429	10,451	783,963
<b>Net income less deficit [1,2]</b>	<b>105,841</b>	<b>-119,464</b>	<b>-4,251</b>	<b>229,556</b>	<b>114,346</b>	<b>40,749,218</b>	<b>8,884,198</b>	<b>929,271</b>	<b>30,935,749</b>
Net income [1,2]	1,354,470	895,474	90,050	368,947	171,253	* 45,534,242	* 10,283,441	1,327,738	33,923,063
Deficit [2]	1,248,629	1,014,938	94,301	* 139,391	56,907	4,785,024	1,399,242	* 398,468	2,987,314
<b>Returns with Schedule C-EZ:</b>									
Number of returns	13,839	11,707	0	* 2,132	* 545	542,394	104,034	9,223	429,136
Business receipts	32,988	19,456	0	* 13,532	* 3,074	4,673,951	1,098,548	46,155	3,529,248
Business deductions	5,576	3,947	0	* 1,629	* 1,869	531,927	129,000	* 13,273	389,654
Net income	27,411	15,509	0	* 11,902	* 1,205	4,142,024	969,549	32,882	3,139,593

Footnotes at end of table.

**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Manufacturing							
	Total	Food manufacturing	Textile and textile product mills	Apparel	Leather and allied products	Wood products	Paper products	Printing and related support activities
	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>								
<b>Number of returns [1]</b>	<b>370,081</b>	<b>46,793</b>	<b>10,834</b>	<b>19,152</b>	<b>5,259</b>	<b>** 35,303</b>	<b>**</b>	<b>28,597</b>
<b>Business receipts, total [1,2]</b>	<b>32,895,561</b>	<b>5,607,532</b>	<b>525,390</b>	<b>1,322,835</b>	<b>126,454</b>	<b>** 3,426,456</b>	<b>**</b>	<b>1,342,367</b>
Income from sales and operations [1]	32,764,525	5,515,972	502,078	1,321,867	123,658	** 3,420,382	**	1,321,175
Other business income (loss) [1]	131,037	91,560	* 23,312	* 968	* 2,796	** 6,073	**	21,193
<b>Business deductions, total [1,2]</b>	<b>29,045,936</b>	<b>5,293,300</b>	<b>473,908</b>	<b>1,156,696</b>	<b>81,961</b>	<b>** 2,942,166</b>	<b>**</b>	<b>1,265,474</b>
Cost of sales and operations, total	15,024,710	3,069,700	202,999	530,039	37,938	** 1,794,018	**	475,175
Inventory, beginning of year	2,491,902	599,223	66,369	180,034	* 32,279	** 160,479	**	55,547
Cost of labor	1,682,626	212,734	* 12,649	* 66,995	* 8,407	** 89,684	**	53,656
Purchases	8,314,799	1,542,702	154,101	308,066	* 14,363	** 1,175,477	**	193,485
Materials and supplies	3,285,262	866,059	* 14,814	83,236	* 1,715	** 430,097	**	161,259
Other costs	1,846,286	495,711	* 19,599	72,924	* 10,143	** 111,399	**	67,417
Inventory, end of year	2,596,164	646,730	64,533	181,216	* 28,969	** 173,117	**	56,189
Advertising expenses	305,730	62,506	10,081	31,092	* 3,506	** 7,629	**	15,297
Car and truck expenses	1,104,266	92,156	20,261	46,036	* 3,850	** 96,601	**	77,043
Commissions	253,824	27,187	* 1,128	** 8,984	**	** 12,118	**	7,148
Contract labor	727,756	45,180	* 18,362	** 22,184	**	** 76,056	**	47,399
Depletion	* 1,666	** 1,421	0	0	0	0	0	**
Depreciation	1,188,280	154,358	6,711	30,278	* 3,858	** 144,092	**	67,139
Employee benefit programs	97,178	14,567	* 884	** 4,681	**	** 3,995	**	6,634
Insurance	378,900	58,211	4,766	13,859	* 880	** 40,396	**	15,420
Legal and professional services	279,242	56,248	3,230	11,258	* 1,458	** 9,874	**	19,371
Meals and entertainment deducted	76,883	12,245	444	8,498	* 28	** 2,060	**	2,843
Mortgage interest	71,439	14,474	** 499	* 125	**	** 14,095	**	* 2,122
Other interest paid on business indebtedness	289,551	138,775	** 3,154	16,461	**	** 8,808	**	16,487
Office expenses	219,052	22,020	4,649	13,998	* 374	** 10,559	**	17,919
Pension and profit-sharing plans	15,678	1,416	** 346	**	0	** 950	**	* 1,361
Rent paid on machinery and equipment	164,134	18,478	512	** 7,722	**	** 16,013	**	16,979
Rent paid on other business property	1,017,429	229,449	22,806	43,943	3,975	** 41,591	**	53,490
Repairs	375,848	68,166	3,122	20,399	* 992	** 100,314	**	23,383
Supplies	1,247,676	131,749	14,151	51,443	* 8,099	** 65,812	**	61,260
Salaries and wages	2,564,231	481,942	* 50,956	122,983	* 6,347	** 241,895	**	116,652
Taxes paid	508,296	132,281	11,560	18,699	* 1,065	** 38,060	**	33,673
Travel	234,824	27,324	1,887	27,800	* 302	** 13,142	**	6,066
Utilities	688,169	104,111	21,033	31,508	3,068	** 55,299	**	54,894
Other business expenses	2,016,762	316,854	64,703	88,239	2,509	** 140,358	**	114,996
Home office business deductions, total	149,621	12,276	* 5,742	* 4,190	* 689	** 6,729	**	12,724
<b>Net income less deficit [1,2]</b>	<b>4,021,563</b>	<b>315,377</b>	<b>51,482</b>	<b>168,216</b>	<b>38,098</b>	<b>** 481,900</b>	<b>**</b>	<b>78,557</b>
Net income [1,2]	5,606,164	680,143	92,544	261,752	55,508	** 526,027	**	246,683
Deficit [2]	1,584,601	* 364,765	* 41,063	* 93,536	* 17,410	** 44,126	**	* 168,126
<b>Returns with Schedule C-EZ:</b>								
Number of returns	37,706	* 4,077	**	* 4,284	**	** 5,112	**	** 604
Business receipts	315,897	* 17,523	**	* 35,017	**	** 43,164	**	** 19,313
Business deductions	44,787	* 208	**	* 5,222	**	** 1,702	**	**
Net income	271,110	* 17,315	**	* 29,795	**	** 41,462	**	** 19,313

Footnotes at end of table.

**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Manufacturing—continued							
	Petroleum and coal products	Chemical manufacturing	Plastic and rubber products	Nonmetallic mineral products	Primary metal industries	Fabricated metal products	Machinery	Computer and electronic products
	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>								
<b>Number of returns [1]</b>	<b>2,323</b>	<b>18,741</b>	<b>395</b>	<b>11,453</b>	<b>2,420</b>	<b>26,572</b>	<b>24,173</b>	<b>14,363</b>
<b>Business receipts, total [1,2]</b>	<b>169,167</b>	<b>1,395,343</b>	<b>377,337</b>	<b>1,039,299</b>	<b>149,125</b>	<b>3,535,478</b>	<b>1,846,028</b>	<b>924,007</b>
Income from sales and operations [1]	**	** 1,555,982	377,494	1,038,702	**	** 3,673,374	1,838,157	920,680
Other business income (loss) [1]	**	** 8,528	* -156	* 598	**	** 11,227	7,871	* 3,328
<b>Business deductions, total [1,2]</b>	<b>168,676</b>	<b>1,224,265</b>	<b>355,576</b>	<b>932,925</b>	<b>129,068</b>	<b>2,999,096</b>	<b>1,501,377</b>	<b>896,542</b>
Cost of sales and operations, total	* 98,153	715,517	163,142	386,728	* 90,094	1,595,673	578,630	545,239
Inventory, beginning of year	**	** 52,112	17,387	68,413	**	** 230,726	43,979	41,753
Cost of labor	**	** 193,980	* 15,498	* 24,648	* 29,047	283,667	53,238	* 50,161
Purchases	* 23,773	168,495	84,566	212,458	* 35,926	963,517	375,702	435,065
Materials and supplies	* 65,431	254,348	* 44,860	22,626	**	** 240,415	86,349	27,640
Other costs	* 8,124	97,415	17,466	129,431	* 23,800	136,395	65,063	* 46,514
Inventory, end of year	**	** 50,007	16,636	70,849	**	** 257,725	45,700	55,894
Advertising expenses	* 1,595	24,253	* 835	16,597	* 1,148	12,958	7,925	11,288
Car and truck expenses	* 4,887	28,840	3,622	61,275	* 2,304	68,608	128,024	33,227
Commissions	0	58,077	* 465	* 10,375	**	** 24,793	25,405	* 27,855
Contract labor	* 4,165	26,558	* 23,942	* 40,783	0	102,463	68,206	* 9,111
Depletion	**	** 244	0	0	0	[4]	0	0
Depreciation	* 11,324	50,720	17,166	36,852	* 11,811	212,343	47,908	53,218
Employee benefit programs	0	2,225	* 855	6,246	**	** 13,988	12,966	* 1,491
Insurance	* 1,506	16,836	4,719	19,335	* 942	40,269	23,935	4,786
Legal and professional services	* 294	31,764	3,344	8,066	* 1,395	30,473	5,575	4,511
Meals and entertainment deducted	* 194	1,534	259	5,090	**	** 4,292	5,725	3,289
Mortgage interest	**	** 1,089	**	** 9,554	0	6,328	0	2,853
Other interest paid on business indebtedness	**	** 1,230	**	** 4,054	* 946	27,225	5,801	4,212
Office expenses	* 182	11,458	1,508	4,637	* 760	22,524	8,458	5,986
Pension and profit-sharing plans	0	* 311	**	** 453	0	3,686	* 890	0
Rent paid on machinery and equipment	1,570	657	3,670	** 14,743	**	20,219	634	2,408
Rent paid on other business property	712	33,583	11,949	** 12,912	**	69,343	67,053	22,860
Repairs	* 736	6,778	2,647	14,180	* 453	34,112	8,208	1,362
Supplies	316	23,081	6,125	137,381	**	** 65,009	111,039	19,640
Salaries and wages	* 22,167	64,661	67,083	54,230	**	** 276,834	186,041	71,857
Taxes paid	* 557	19,189	6,217	17,327	* 2,072	43,723	25,212	6,453
Travel	5	10,990	1,280	10,517	* 28	17,019	15,349	13,960
Utilities	* 1,877	21,978	12,789	16,639	* 2,399	61,718	54,343	20,322
Other business expenses	17,461	65,043	20,647	42,852	* 10,337	225,692	97,420	25,066
Home office business deductions, total	0	** 4,072	**	* 5,030	0	19,788	12,683	* 2,374
<b>Net income less deficit [1,2]</b>	<b>491</b>	<b>155,586</b>	<b>21,108</b>	<b>106,132</b>	<b>20,822</b>	<b>545,434</b>	<b>344,615</b>	<b>27,464</b>
Net income [1,2]	10,463	239,560	38,281	146,567	26,221	657,633	424,006	114,740
Deficit [2]	9,972	83,974	* 17,173	* 40,435	5,399	112,199	* 79,391	* 87,276
<b>Returns with Schedule C-EZ:</b>								
Number of returns	**	* 3,058	0	** 2,337	**	* 2,627	* 3,058	* 2,034
Business receipts	**	* 23,346	0	** 24,185	**	* 10,547	* 7,709	* 37,977
Business deductions	0	* 4,550	0	** 1,629	**	* 3,148	* 3,949	* 3,176
Net income	**	* 18,796	0	** 22,555	**	* 7,400	* 3,760	* 34,800

Footnotes at end of table.

**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Manufacturing—continued				Wholesale trade (merchant wholesalers)			
	Electrical equipment, appliances, and components	Transportation equipment	Furniture and related products	Miscellaneous manufacturing	Total	Durable goods, including machinery, wood, metals, etc.	Nondurable goods, including food, fiber, chemicals, etc.	Wholesale electronic markets and agents and brokers
	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>								
<b>Number of returns [1]</b>	<b>9,277</b>	<b>10,681</b>	<b>28,173</b>	<b>75,572</b>	<b>342,687</b>	<b>155,506</b>	<b>120,392</b>	<b>66,788</b>
<b>Business receipts, total [1,2]</b>	<b>916,114</b>	<b>892,760</b>	<b>3,023,451</b>	<b>6,276,419</b>	<b>48,439,075</b>	<b>22,073,343</b>	<b>21,082,353</b>	<b>5,283,380</b>
Income from sales and operations [1]	913,278	890,647	3,017,171	6,333,910	48,101,540	21,898,748	20,940,234	5,262,558
Other business income (loss) [1]	* 2,836	* 2,113	6,280	-57,490	337,535	174,594	142,119	20,822
<b>Business deductions, total [1,2]</b>	<b>791,200</b>	<b>827,993</b>	<b>2,536,317</b>	<b>5,469,397</b>	<b>43,923,297</b>	<b>19,890,967</b>	<b>19,715,623</b>	<b>4,316,707</b>
Cost of sales and operations, total	405,974	346,345	1,151,431	2,837,914	30,879,517	14,139,689	14,318,382	2,421,446
Inventory, beginning of year	97,320	188,274	180,143	477,867	3,633,066	2,472,413	978,550	182,104
Cost of labor	* 63,801	* 75,090	175,841	273,532	406,685	227,401	142,573	* 36,711
Purchases	189,919	208,198	427,847	1,801,138	26,237,621	11,584,940	12,722,402	1,930,279
Materials and supplies	* 138,435	45,131	436,965	365,881	2,031,957	1,180,266	609,186	242,504
Other costs	* 10,703	20,296	108,895	404,990	2,403,504	1,267,996	943,201	192,307
Inventory, end of year	* 94,204	190,643	178,259	485,494	3,833,316	2,593,327	1,077,530	162,459
Advertising expenses	1,643	13,933	15,012	68,433	340,988	118,469	146,096	76,423
Car and truck expenses	37,484	113,419	92,381	194,249	1,343,606	558,951	508,030	276,625
Commissions	* 2,083	* 4,875	6,081	37,251	469,475	235,054	154,922	79,498
Contract labor	* 1,084	60,940	87,827	93,494	688,520	312,714	239,359	136,447
Depletion	0	0	0	0	3,229	* 100	* 3,130	0
Depreciation	31,831	30,312	61,040	217,317	556,035	307,883	221,121	27,031
Employee benefit programs	5,175	* 688	* 5,218	17,567	63,838	31,576	24,412	7,850
Insurance	8,542	11,724	40,459	72,317	304,536	167,754	105,058	31,723
Legal and professional services	6,745	3,613	21,025	61,001	296,703	108,064	112,672	75,968
Meals and entertainment deducted	3,208	7,548	5,334	14,291	180,113	74,314	62,389	43,410
Mortgage interest	* 7,939	* 3,472	* 4,458	4,432	33,936	15,089	18,548	* 299
Other interest paid on business indebtedness	5,010	6,872	9,447	41,071	179,826	92,503	78,071	9,252
Office expenses	7,165	5,488	12,881	68,487	256,784	132,695	91,232	32,856
Pension and profit-sharing plans	* 1,350	460	* 393	4,060	27,603	8,903	12,662	6,039
Rent paid on machinery and equipment	2,659	146	46,886	10,839	222,123	136,007	52,925	33,190
Rent paid on other business property	8,314	26,899	151,490	217,061	755,099	342,845	317,370	94,884
Repairs	3,020	21,266	25,865	40,846	273,456	116,166	123,202	34,089
Supplies	56,950	18,361	273,287	203,973	640,587	339,425	197,146	104,017
Salaries and wages	135,456	51,379	219,546	394,203	1,722,540	831,191	759,485	131,864
Taxes paid	15,528	6,055	28,516	102,109	319,802	158,615	136,323	24,865
Travel	6,070	10,394	10,796	61,896	543,303	278,698	182,330	82,275
Utilities	15,090	23,452	69,591	118,059	599,144	268,472	236,586	94,086
Other business expenses	21,386	58,648	183,799	520,754	3,063,348	1,046,502	1,559,699	457,147
Home office business deductions, total	* 963	**	** 7,801	54,561	120,343	57,746	38,689	23,908
<b>Net income less deficit [1,2]</b>	<b>124,914</b>	<b>64,780</b>	<b>487,134</b>	<b>989,452</b>	<b>4,546,353</b>	<b>2,207,240</b>	<b>1,372,230</b>	<b>966,883</b>
Net income [1,2]	165,017	126,893	516,135	1,277,990	6,032,294	2,714,735	2,054,875	1,262,685
Deficit [2]	* 40,104	62,113	29,001	* 288,538	1,485,941	507,494	* 682,645	* 295,802
<b>Returns with Schedule C-EZ:</b>								
Number of returns	** 1,027	**	* 3,039	6,449	39,326	16,152	13,111	10,062
Business receipts	** 1,720	**	* 56,070	39,328	394,003	106,425	90,165	197,413
Business deductions	** 533	**	* 7,457	13,213	38,844	11,544	15,785	* 11,514
Net income	** 1,185	**	* 48,613	26,115	355,159	94,881	74,380	185,898

Footnotes at end of table.

**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Retail trade							
	Total	Motor vehicle and parts dealers	Furniture and home furnishing stores	Electronic stores and household appliance stores	Building material and garden equipment and supplies dealers	Food and beverage stores	Health and personal care stores	Gasoline stations
	(40)	(41)	(42)	(43)	(44)	(45)	(46)	(47)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>								
<b>Number of returns [1]</b>	<b>2,329,498</b>	<b>131,699</b>	<b>30,572</b>	<b>11,492</b>	<b>31,829</b>	<b>91,973</b>	<b>141,684</b>	<b>12,887</b>
<b>Business receipts, total [1,2]</b>	<b>174,647,841</b>	<b>39,400,845</b>	<b>3,981,536</b>	<b>2,749,696</b>	<b>5,764,064</b>	<b>24,621,568</b>	<b>7,855,981</b>	<b>14,821,487</b>
Income from sales and operations [1]	172,893,256	38,994,939	3,945,301	2,742,606	5,739,211	24,260,139	7,800,890	14,517,630
Other business income (loss) [1]	1,754,585	405,906	36,235	* 7,090	24,852	361,429	55,092	303,857
<b>Business deductions, total [1,2]</b>	<b>164,143,585</b>	<b>38,155,051</b>	<b>3,619,062</b>	<b>2,599,317</b>	<b>5,166,439</b>	<b>23,755,346</b>	<b>7,487,938</b>	<b>14,440,701</b>
Cost of sales and operations, total	109,514,174	31,299,944	2,114,970	1,832,826	3,198,220	17,060,111	4,528,787	12,050,649
Inventory, beginning of year	20,642,938	5,534,310	572,807	135,427	697,074	1,947,927	519,548	391,073
Cost of labor	1,714,257	568,265	122,908	* 56,506	135,225	158,375	51,193	* 39,318
Purchases	96,903,140	27,587,066	1,427,172	1,448,889	2,918,539	15,755,534	4,126,146	11,091,904
Materials and supplies	6,147,494	1,552,071	478,147	* 189,609	114,825	691,644	198,151	353,537
Other costs	5,572,986	1,919,474	144,278	147,663	68,555	296,217	175,425	575,771
Inventory, end of year	21,466,642	5,861,242	630,342	145,269	735,998	1,789,586	541,676	400,954
Advertising expenses	2,297,299	279,674	112,643	30,762	57,987	112,921	159,086	20,238
Car and truck expenses	5,266,790	569,501	169,709	52,971	131,219	236,223	258,114	59,229
Commissions	1,522,887	182,491	22,702	* 5,992	6,046	91,998	19,287	41,109
Contract labor	1,678,650	351,327	41,724	12,965	78,723	94,336	151,923	31,649
Depletion	9,269	* 4	** 1,048	**	**	* 259	** 188	**
Depreciation	2,347,299	366,099	78,844	22,188	123,415	218,797	99,990	151,148
Employee benefit programs	175,821	42,841	5,080	* 2,267	21,933	21,687	11,556	5,389
Insurance	1,248,425	270,028	49,425	19,651	65,185	175,590	60,367	70,891
Legal and professional services	883,723	115,252	27,361	6,726	31,636	79,614	56,174	31,832
Meals and entertainment deducted	510,230	41,364	10,803	3,942	8,960	17,874	37,911	1,729
Mortgage interest	337,298	59,774	17,805	* 6,746	18,739	37,554	2,960	50,406
Other interest paid on business indebtedness	664,137	194,836	19,143	5,774	39,813	47,572	44,974	24,109
Office expenses	1,135,008	109,190	26,475	30,261	22,419	78,025	76,057	13,401
Pension and profit-sharing plans	39,301	2,279	* 1,101	* 1,935	4,479	3,208	3,767	4,694
Rent paid on machinery and equipment	651,851	69,181	44,478	94,505	16,449	59,678	34,882	11,988
Rent paid on other business property	5,173,527	521,112	185,821	64,161	110,580	883,699	249,777	209,192
Repairs	1,158,407	216,664	31,432	11,877	48,965	197,006	36,798	84,023
Supplies	3,246,520	416,178	52,541	23,928	93,514	415,360	257,368	35,623
Salaries and wages	8,019,478	1,169,078	218,336	159,597	481,764	1,655,773	496,026	659,055
Taxes paid	2,458,831	358,679	75,648	52,408	133,093	462,428	93,574	182,969
Travel	1,218,793	64,454	41,238	7,218	13,757	17,140	81,246	2,940
Utilities	3,457,544	349,127	104,869	33,952	123,749	561,241	150,451	185,241
Other business expenses	10,252,048	1,050,664	157,176	113,928	323,014	1,212,136	510,023	511,397
Home office business deductions, total	659,787	50,178	** 9,935	**	9,584	2,942	43,167	* 577
<b>Net income less deficit [1,2]</b>	<b>10,600,092</b>	<b>1,257,406</b>	<b>362,937</b>	<b>156,665</b>	<b>597,148</b>	<b>875,587</b>	<b>369,885</b>	<b>380,782</b>
Net income [1,2]	* 18,598,124	1,844,255	497,514	200,222	707,090	1,328,364	992,768	453,149
Deficit [2]	7,998,032	* 586,849	* 134,577	43,557	* 109,942	* 452,777	* 622,883	72,367
<b>Returns with Schedule C-EZ:</b>								
Number of returns	322,048	10,400	* 1,451	**	** 4,110	17,361	** 19,442	**
Business receipts	1,677,639	81,042	* 813	**	** 28,924	111,028	** 102,810	**
Business deductions	217,011	5,133	* 174	**	** 4,509	* 12,175	** 24,789	**
Net income	1,460,628	75,909	* 640	**	** 24,414	98,854	** 78,022	**

Footnotes at end of table.

**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Retail trade—continued					Transportation and warehousing		
	Clothing and accessories stores	Sporting goods, hobby, book, and music stores	General merchandise stores	Miscellaneous store retailers	Nonstore retailers	Total	Air and rail transportation	Water transportation
	(48)	(49)	(50)	(51)	(52)	(53)	(54)	(55)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>								
<b>Number of returns [1]</b>	<b>147,740</b>	<b>108,551</b>	<b>32,981</b>	<b>627,497</b>	<b>960,593</b>	<b>1,984,991</b>	<b>16,884</b>	<b>5,638</b>
<b>Business receipts, total [1,2]</b>	<b>8,862,339</b>	<b>6,705,399</b>	<b>3,267,555</b>	<b>30,688,605</b>	<b>25,928,766</b>	<b>103,400,451</b>	<b>1,395,269</b>	<b>762,096</b>
Income from sales and operations [1]	8,771,142	6,655,316	3,257,272	30,475,886	25,732,925	102,417,778	1,304,833	753,977
Other business income (loss) [1]	91,197	50,083	10,283	212,720	195,841	982,672	90,436	8,119
<b>Business deductions, total [1,2]</b>	<b>8,431,641</b>	<b>6,582,399</b>	<b>3,087,519</b>	<b>27,652,418</b>	<b>23,165,752</b>	<b>88,263,776</b>	<b>1,500,619</b>	<b>802,879</b>
Cost of sales and operations, total	4,287,267	4,061,830	2,102,776	15,484,703	11,492,091	10,029,928	417,731	355,049
Inventory, beginning of year	1,886,586	1,873,566	376,496	4,323,465	2,384,658	223,931	21,269	**
Cost of labor	54,398	34,163	* 27,794	356,404	109,709	1,591,694	18,747	* 65,530
Purchases	3,798,108	3,671,027	1,907,910	13,241,478	9,929,368	2,565,410	9,689	**
Materials and supplies	382,249	430,937	36,829	1,264,830	454,665	903,360	130,202	* 9,568
Other costs	170,463	67,866	155,810	826,962	1,024,501	5,011,869	257,148	276,846
Inventory, end of year	2,004,537	2,015,729	402,062	4,528,435	2,410,811	266,336	19,326	**
Advertising expenses	226,762	88,532	30,500	525,968	652,225	277,766	5,937	1,470
Car and truck expenses	263,785	159,015	109,218	1,341,490	1,916,318	24,090,054	43,588	14,131
Commissions	55,527	96,527	30,694	300,013	670,503	1,719,258	7,329	3,335
Contract labor	92,597	67,570	11,630	337,405	406,800	6,892,013	37,679	4,814
Depletion	**	* 7,530	**	** 107	* 131	14,646	* 47	0
Depreciation	113,891	144,263	38,669	600,909	389,085	6,288,335	273,126	150,361
Employee benefit programs	14,392	3,005	* 5,656	30,723	11,293	88,873	5,797	* 2,712
Insurance	69,266	61,387	20,384	260,321	125,929	3,838,031	24,106	11,149
Legal and professional services	73,687	37,146	8,160	181,240	234,895	511,325	23,405	4,421
Meals and entertainment deducted	33,524	22,368	4,401	153,381	173,973	2,531,664	16,766	1,774
Mortgage interest	10,420	25,958	* 4,985	67,853	34,098	257,066	16,177	3,979
Other interest paid on business indebtedness	71,694	26,081	2,890	91,748	95,502	526,385	26,156	18,873
Office expenses	134,784	81,357	14,944	275,516	272,579	478,057	7,142	1,503
Pension and profit-sharing plans	5,275	**	** 899	8,655	3,010	5,472	* 239	**
Rent paid on machinery and equipment	50,133	27,781	33,176	135,078	74,522	3,524,852	7,829	11,307
Rent paid on other business property	736,349	312,251	115,538	1,364,055	420,992	844,361	27,788	4,403
Repairs	44,298	56,995	20,314	233,808	176,226	5,778,953	93,935	30,198
Supplies	307,033	115,004	50,183	638,844	840,944	1,416,249	11,809	5,070
Salaries and wages	648,548	345,189	108,395	1,587,479	490,238	3,062,329	66,885	69,325
Taxes paid	164,612	119,981	35,414	527,233	252,792	1,513,037	14,247	10,180
Travel	108,281	75,068	10,754	342,745	453,952	1,117,664	86,475	3,349
Utilities	218,349	174,671	90,585	795,140	670,170	1,783,802	22,200	5,709
Other business expenses	636,167	428,478	234,026	2,162,161	2,912,880	11,083,492	254,531	87,811
Home office business deductions, total	51,282	39,119	* 469	141,208	311,325	201,196	* 5,792	* 696
<b>Net income less deficit [1,2]</b>	<b>442,362</b>	<b>126,568</b>	<b>180,035</b>	<b>3,046,421</b>	<b>2,804,295</b>	<b>14,926,404</b>	<b>-71,347</b>	<b>-48,719</b>
Net income [1,2]	1,186,631	603,145	402,371	* 5,078,996	5,303,619	* 19,285,687	225,889	71,584
Deficit [2]	744,269	476,577	* 222,336	2,032,575	2,499,323	4,359,283	297,236	* 120,303
<b>Returns with Schedule C-EZ:</b>								
Number of returns	7,779	9,946	* 4,379	118,884	128,295	349,833	* 2,349	* 448
Business receipts	45,212	55,182	* 35,623	698,522	518,481	1,746,047	* 7,434	* 3,892
Business deductions	13,642	* 5,700	* 2,969	64,641	83,280	388,969	* 3,904	* 1,193
Net income	31,570	49,482	* 32,655	633,881	435,201	1,357,077	* 3,530	* 2,699

Footnotes at end of table.



**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Transportation and warehousing—continued						
	Truck transportation	Other transit and ground transportation	Pipeline transportation	Scenic and sightseeing transportation	Support activities for transportation (including motor vehicle towing)	Couriers and messengers	Warehousing and storage facilities
	(56)	(57)	(58)	(59)	(60)	(61)	(62)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>							
<b>Number of returns [1]</b>	<b>623,265</b>	<b>** 1,020,896</b>	<b>**</b>	<b>10,688</b>	<b>62,465</b>	<b>229,829</b>	<b>15,326</b>
<b>Business receipts, total [1,2]</b>	<b>68,851,259</b>	<b>** 20,416,980</b>	<b>**</b>	<b>490,337</b>	<b>4,026,108</b>	<b>7,091,955</b>	<b>366,447</b>
Income from sales and operations [1]	68,425,962	** 20,158,171	**	485,611	3,872,011	7,059,320	357,892
Other business income (loss) [1]	425,297	** 258,809	**	4,726	154,097	* 32,635	8,554
<b>Business deductions, total [1,2]</b>	<b>58,963,980</b>	<b>** 16,640,888</b>	<b>**</b>	<b>524,257</b>	<b>3,753,057</b>	<b>5,711,192</b>	<b>366,905</b>
Cost of sales and operations, total	7,143,078	** 240,657	**	23,338	1,160,350	639,287	50,439
Inventory, beginning of year	** 90,952	** 33,359	**	**	** 50,632	* 3,977	* 23,741
Cost of labor	1,191,221	** 78,607	**	* 447	161,338	* 74,130	* 1,673
Purchases	** 2,118,337	** 46,248	**	* 20,791	193,227	* 164,368	* 12,751
Materials and supplies	647,622	** 26,040	**	**	** 61,439	* 25,914	* 2,576
Other costs	3,214,359	** 93,327	**	* 863	761,316	* 373,828	34,182
Inventory, end of year	** 116,308	** 36,924	**	* 6,707	* 59,658	* 2,929	* 24,485
Advertising expenses	124,809	** 79,291	**	21,813	23,182	18,802	2,463
Car and truck expenses	15,198,325	** 5,490,923	**	22,742	414,858	2,855,038	50,450
Commissions	644,479	** 873,028	**	* 2,433	91,739	96,865	* 49
Contract labor	5,601,883	** 402,637	**	8,420	221,936	604,212	10,434
Depletion	* 14,439	**	**	0	** 160	0	**
Depreciation	4,599,380	** 693,862	**	175,001	298,568	80,911	17,125
Employee benefit programs	69,415	** 2,935	**	* 405	4,209	* 1,149	* 2,252
Insurance	2,935,160	** 631,876	**	18,498	118,049	91,659	7,533
Legal and professional services	287,805	** 98,437	**	13,464	24,346	51,557	7,890
Meals and entertainment deducted	2,147,166	** 262,904	**	3,515	35,544	59,204	4,792
Mortgage interest	114,707	** 101,502	**	* 6,436	9,492	* 2,383	* 2,390
Other interest paid on business indebtedness	372,439	** 48,922	**	4,666	27,584	24,911	2,834
Office expenses	287,546	** 92,521	**	7,458	31,661	38,602	11,625
Pension and profit-sharing plans	** 3,231	** 488	**	0	* 425	0	* 1,089
Rent paid on machinery and equipment	1,543,829	** 1,752,536	**	3,241	56,662	144,362	5,084
Rent paid on other business property	368,006	** 266,642	**	19,602	86,661	43,543	27,715
Repairs	4,810,221	** 546,251	**	23,144	146,213	116,296	12,697
Supplies	889,236	** 248,866	**	11,758	63,750	174,916	10,844
Salaries and wages	2,071,640	** 433,378	**	35,326	223,895	106,776	55,104
Taxes paid	1,121,524	** 263,959	**	7,398	64,212	22,263	9,255
Travel	762,668	** 133,912	**	24,062	35,833	62,415	8,951
Utilities	960,400	** 527,394	**	6,110	88,605	151,279	22,104
Other business expenses	6,732,563	** 3,149,651	**	84,809	510,779	223,372	39,976
Home office business deductions, total	107,064	** 49,563	**	* 581	7,778	29,721	0
<b>Net income less deficit [1,2]</b>	<b>9,620,826</b>	<b>** 3,791,564</b>	<b>**</b>	<b>-32,891</b>	<b>280,993</b>	<b>1,386,426</b>	<b>-449</b>
Net income [1,2]	11,349,224	** 5,318,351	**	* 77,557	462,382	1,688,517	92,182
Deficit [2]	1,728,398	** 1,526,787	**	* 110,448	* 181,389	* 302,091	92,631
<b>Returns with Schedule C-EZ:</b>							
Number of returns	43,202	** 235,378	**	* 588	14,165	48,119	* 5,584
Business receipts	554,564	** 715,884	**	* 7,439	68,402	340,215	* 48,218
Business deductions	53,035	** 248,755	**	* 39	* 6,692	71,668	* 3,684
Net income	501,528	** 467,129	**	* 7,400	61,710	268,547	* 44,534

Footnotes at end of table.

**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Information					Finance and insurance	
	Total	Publishing industries (except internet)	Motion picture and sound recording	Broadcasting (except internet) and telecommunications and internet service providers	Data processing, internet publishing and broadcasting, and web search portals	Total	Credit intermediation and related activities
	(63)	(64)	(65)	(66)	(67)	(68)	(69)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>							
<b>Number of returns [1]</b>	<b>367,766</b>	<b>54,718</b>	<b>122,541</b>	<b>66,741</b>	<b>123,766</b>	<b>609,412</b>	<b>33,640</b>
<b>Business receipts, total [1,2]</b>	<b>11,744,041</b>	<b>1,702,220</b>	<b>3,850,279</b>	<b>3,154,057</b>	<b>3,037,485</b>	<b>76,056,618</b>	<b>2,389,765</b>
Income from sales and operations [1]	11,544,129	1,689,633	3,722,359	3,111,030	3,021,107	74,754,150	2,271,942
Other business income (loss) [1]	199,912	12,587	127,920	43,026	16,379	1,302,468	117,823
<b>Business deductions, total [1,2]</b>	<b>9,476,807</b>	<b>1,292,253</b>	<b>3,246,926</b>	<b>2,724,493</b>	<b>2,213,135</b>	<b>55,216,156</b>	<b>1,791,704</b>
Cost of sales and operations, total	2,541,951	294,232	698,239	868,779	680,701	21,890,001	386,386
Inventory, beginning of year	74,167	20,255	5,404	29,808	18,699	366,797	82,653
Cost of labor	388,051	92,721	264,195	* 7,821	23,314	233,169	* 5,055
Purchases	1,237,123	49,432	88,980	648,537	450,174	13,549,018	128,301
Materials and supplies	71,406	21,768	17,670	4,549	27,418	242,755	* 178,925
Other costs	852,899	133,751	341,645	197,565	179,938	7,903,087	31,873
Inventory, end of year	81,695	23,696	19,656	19,500	18,842	404,825	40,421
Advertising expenses	274,777	33,050	57,894	52,477	131,355	1,098,336	42,781
Car and truck expenses	688,614	166,117	232,361	170,549	119,586	2,581,843	103,627
Commissions	243,668	17,494	26,356	118,478	81,339	2,981,844	58,068
Contract labor	589,137	53,292	249,873	167,609	118,362	1,323,658	45,986
Depletion	* 10	0	**	** 10	0	4,001	* 34
Depreciation	301,068	22,142	186,049	39,611	53,265	675,248	35,670
Employee benefit programs	21,527	5,999	6,015	6,265	3,247	184,970	3,147
Insurance	70,987	7,830	26,959	23,390	12,809	574,929	21,948
Legal and professional services	175,915	26,478	59,998	23,924	65,516	862,150	39,966
Meals and entertainment deducted	128,955	14,612	75,042	25,970	13,331	553,913	18,209
Mortgage interest	5,737	* 1,264	2,616	* 1,743	* 114	101,590	4,083
Other interest paid on business indebtedness	59,143	2,517	34,028	11,772	10,826	347,130	85,719
Office expenses	164,440	23,266	56,022	41,827	43,324	946,201	33,706
Pension and profit-sharing plans	11,775	* 7,057	2,761	890	* 1,067	126,816	* 11,777
Rent paid on machinery and equipment	72,564	5,700	48,005	10,989	7,869	213,310	4,075
Rent paid on other business property	317,038	29,299	108,973	118,210	60,556	1,554,863	71,206
Repairs	60,510	6,367	21,237	15,956	16,950	302,085	25,506
Supplies	396,958	22,367	160,506	165,470	48,615	545,206	38,762
Salaries and wages	637,150	87,590	175,041	270,225	104,294	4,780,430	206,190
Taxes paid	95,687	19,965	29,047	32,225	14,449	625,390	35,493
Travel	345,684	47,781	164,800	61,142	71,961	949,151	32,293
Utilities	386,467	40,447	132,734	90,417	122,869	1,181,451	57,527
Other business expenses	1,654,907	318,766	583,602	386,005	366,533	10,431,570	410,635
Home office business deductions, total	192,963	32,747	94,213	13,907	52,096	308,598	18,730
<b>Net income less deficit [1,2]</b>	<b>2,333,927</b>	<b>434,649</b>	<b>622,201</b>	<b>436,127</b>	<b>840,950</b>	<b>20,879,459</b>	<b>598,105</b>
Net income [1,2]	* 3,663,219	611,957	* 1,255,260	668,465	* 1,127,537	* 23,378,008	791,827
Deficit [2]	1,329,292	* 177,308	633,060	* 232,338	* 286,587	2,498,549	* 193,722
<b>Returns with Schedule C-EZ:</b>							
Number of returns	80,029	11,489	21,030	18,159	29,352	83,709	5,384
Business receipts	419,987	95,126	145,355	54,589	124,917	656,371	64,500
Business deductions	39,178	5,875	14,546	6,656	12,101	71,471	* 181
Net income	380,809	89,252	130,808	47,932	112,816	584,901	64,319

Footnotes at end of table.

**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Finance and insurance—continued								
	Securities, commodity contracts, and other financial investments						Insurance agents, brokers, and related activities		
	Total	Investment bankers and securities dealers	Securities brokers	Commodity contracts brokers and dealers	Securities and commodity exchanges	Other financial investment activities (investment advice)	Total	Insurance agencies and brokerages	Other insurance related activities and other financial vehicles
	(70)	(71)	(72)	(73)	(74)	(75)	(76)	(77)	(78)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>									
<b>Number of returns [1]</b>	<b>173,466</b>	<b>5,979</b>	<b>13,309</b>	<b>3,662</b>	<b>1,003</b>	<b>149,512</b>	<b>402,306</b>	<b>310,944</b>	<b>91,362</b>
<b>Business receipts, total [1,2]</b>	<b>42,625,116</b>	<b>6,213,122</b>	<b>3,363,991</b>	<b>695,012</b>	<b>952,876</b>	<b>31,400,116</b>	<b>31,041,737</b>	<b>26,040,881</b>	<b>5,000,855</b>
Income from sales and operations [1]	41,672,288	6,232,461	3,082,374	** 1,612,615	**	30,744,837	30,809,920	25,929,108	4,880,812
Other business income (loss) [1]	952,829	-19,339	281,616	** 35,273	**	655,279	231,817	111,774	120,043
<b>Business deductions, total [1,2]</b>	<b>34,240,205</b>	<b>6,001,041</b>	<b>2,493,540</b>	<b>621,991</b>	<b>944,805</b>	<b>24,178,828</b>	<b>19,184,248</b>	<b>16,329,304</b>	<b>2,854,944</b>
Cost of sales and operations, total	20,658,377	5,552,643	1,372,559	219,366	* 877,665	12,636,143	845,238	702,191	143,047
Inventory, beginning of year	165,095	** 44,134	**	**	0	120,961	119,049	50,095	* 68,954
Cost of labor	68,375	0	0	* 19	0	68,356	159,739	147,671	* 12,067
Purchases	13,312,054	5,422,400	* 354,605	* 175,181	* 877,254	6,482,615	108,663	90,412	18,251
Materials and supplies	18,311	**	** 3,877	0	**	14,434	45,519	21,542	* 23,976
Other costs	7,327,667	* 131,666	1,010,505	** 40,159	**	6,145,338	543,547	449,777	93,770
Inventory, end of year	233,126	* 34,688	0	** 2,878	**	195,561	131,278	57,307	* 73,972
Advertising expenses	257,985	5,583	21,255	23,919	* 9	207,219	797,569	735,802	61,768
Car and truck expenses	451,722	9,918	49,716	7,551	* 57	384,481	2,026,494	1,651,686	374,808
Commissions	1,135,649	81,409	122,187	** 92,490	**	839,564	1,788,127	1,534,560	253,567
Contract labor	691,037	33,704	70,266	* 5,554	0	581,514	586,634	453,374	133,260
Depletion	621	63	0	0	0	558	3,345	* 131	* 3,215
Depreciation	214,974	6,533	27,507	1,100	* 352	179,483	424,604	322,607	101,997
Employee benefit programs	81,627	3,572	4,899	** 1,946	**	71,211	100,196	92,162	8,034
Insurance	130,322	3,889	11,231	361	* 442	114,398	422,660	342,908	79,752
Legal and professional services	510,410	25,555	14,614	16,512	* 577	453,153	311,774	216,125	95,649
Meals and entertainment deducted	169,759	8,661	15,887	4,514	* 229	140,468	365,946	302,923	63,022
Mortgage interest	29,057	**	** 4,161	0	0	24,895	68,450	53,809	14,641
Other interest paid on business indebtedness	136,062	8,015	3,336	802	* 319	123,590	125,350	101,906	23,444
Office expenses	288,903	6,083	31,032	15,170	258	236,361	623,591	543,041	80,551
Pension and profit-sharing plans	72,790	* 2,289	2,811	** 898	**	66,791	42,249	38,063	4,186
Rent paid on machinery and equipment	99,620	5,646	5,148	** 142	**	88,684	109,616	101,596	8,020
Rent paid on other business property	516,263	11,636	26,586	13,708	679	463,654	967,394	829,461	137,932
Repairs	91,609	868	6,785	* 349	* 54	83,553	184,970	172,182	12,789
Supplies	133,209	1,901	9,134	4,989	* 11	117,173	373,236	322,147	51,089
Salaries and wages	1,800,714	40,364	102,827	** 62,393	**	1,595,130	2,773,527	2,489,164	284,363
Taxes paid	206,517	9,936	17,215	933	* 492	177,941	383,380	340,675	42,705
Travel	416,242	14,478	16,312	18,590	* 266	366,596	500,616	413,575	87,041
Utilities	271,085	7,861	22,329	3,403	424	237,068	852,839	729,389	123,450
Other business expenses	5,753,270	156,334	523,162	132,169	57,033	4,884,573	4,267,665	3,656,079	611,586
Home office business deductions, total	107,632	2,990	12,989	* 298	* 492	90,862	182,237	142,153	40,084
<b>Net income less deficit [1,2]</b>	<b>8,392,362</b>	<b>211,932</b>	<b>870,450</b>	<b>73,515</b>	<b>8,071</b>	<b>7,228,393</b>	<b>11,888,992</b>	<b>9,735,465</b>	<b>2,153,527</b>
Net income [1,2]	* 9,763,822	289,891	914,723	219,922	23,599	* 8,315,687	12,822,359	10,465,348	2,357,011
Deficit [2]	1,371,460	77,959	* 44,273	* 146,407	* 15,528	1,087,294	933,367	729,882	* 203,484
<b>Returns with Schedule C-EZ:</b>									
Number of returns	23,297	* 653	3,076	** 448	**	19,120	55,027	37,961	17,066
Business receipts	232,746	* 22,574	18,108	** 2,653	**	189,411	359,126	215,041	144,085
Business deductions	14,750	* 683	* 25	** 281	**	13,761	56,540	41,597	14,944
Net income	217,996	* 21,891	18,083	** 2,372	**	175,650	302,586	173,444	129,141

Footnotes at end of table.

**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Real estate and rental and leasing							
	Total	Real estate				Rental and leasing services		
		Total	Lessors of real estate (including miniwarehouses and self storage)	Offices of real estate agents, brokers, property managers and appraisers	Other activities related to real estate	Total	Automotive equipment rental and leasing	Consumer electronics and appliances rental
	(79)	(80)	(81)	(82)	(83)	(84)	(85)	(86)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>								
Number of returns [1]	1,282,230	1,209,604	51,244	896,765	261,595	71,092	19,377	2,336
Business receipts, total [1,2]	82,601,087	77,274,746	2,760,329	52,673,186	21,841,231	5,277,327	938,181	70,268
Income from sales and operations [1]	80,608,583	75,485,609	2,684,155	51,178,326	21,623,128	5,076,254	913,978	** 289,427
Other business income (loss) [1]	1,992,504	1,789,137	76,174	1,494,861	218,102	201,073	24,203	** 1,948
Business deductions, total [1,2]	53,520,159	48,442,283	2,259,291	29,582,319	16,600,674	5,033,952	910,167	* 55,520
Cost of sales and operations, total	13,789,932	12,599,635	339,081	3,794,874	8,465,680	1,175,149	169,174	* 4,479
Inventory, beginning of year	2,809,908	2,593,550	38,187	351,170	2,204,194	216,358	104,431	0
Cost of labor	512,528	457,712	54,392	241,201	162,119	54,816	* 359	0
Purchases	6,464,533	5,641,640	193,526	1,395,938	4,052,176	** 822,894	** 112,653	**
Materials and supplies	1,286,237	1,158,989	20,687	234,873	903,428	127,249	* 21,958	0
Other costs	5,612,937	5,350,953	71,681	2,012,318	3,266,954	** 261,983	** 44,276	**
Inventory, end of year	2,896,213	2,603,209	39,392	440,626	2,123,191	293,003	110,024	0
Advertising expenses	2,452,915	2,382,345	21,217	1,977,096	384,032	70,004	8,997	* 667
Car and truck expenses	5,609,450	5,291,722	142,707	4,148,552	1,000,463	** 317,728	107,163	* 3,152
Commissions	3,544,401	3,488,865	38,747	2,894,794	555,325	53,843	37,377	0
Contract labor	1,913,911	1,745,610	95,229	1,253,200	397,181	163,262	** 18,405	**
Depletion	5,770	1,649	0	33	1,616	4,121	** 13	0
Depreciation	2,976,101	1,636,838	324,370	797,172	515,296	** 1,339,263	270,907	* 20,088
Employee benefit programs	124,500	110,739	8,636	71,311	30,792	** 13,762	** 1,963	**
Insurance	689,392	598,452	48,877	395,100	154,476	90,323	19,185	* 4,196
Legal and professional services	1,234,068	1,169,886	35,757	786,004	348,125	61,782	6,613	* 368
Meals and entertainment deducted	736,621	691,393	13,925	556,907	120,561	45,155	13,557	* 298
Mortgage interest	536,030	479,079	122,449	202,690	153,939	** 56,952	3,582	0
Other interest paid on business indebtedness	444,267	340,013	49,030	141,470	149,514	104,123	21,283	* 446
Office expenses	1,155,239	1,118,994	29,467	861,165	228,362	35,381	6,136	* 971
Pension and profit-sharing plans	45,881	44,704	* 10,562	28,145	5,996	1,177	* 20	0
Rent paid on machinery and equipment	407,769	313,184	15,555	219,701	77,929	** 94,584	29,161	** 623
Rent paid on other business property	1,219,766	1,102,200	105,723	718,557	277,919	117,157	15,825	** 1,701
Repairs	979,868	825,265	129,762	483,940	211,564	154,324	** 37,188	**
Supplies	1,101,973	965,369	37,604	665,970	261,795	135,833	9,394	* 282
Salaries and wages	2,556,632	2,244,602	136,190	1,401,875	706,536	** 312,030	** 42,961	**
Taxes paid	990,854	867,138	127,256	499,612	240,269	123,187	9,777	* 2,624
Travel	772,949	712,272	13,487	515,740	183,046	60,051	4,740	* 339
Utilities	1,995,077	1,895,138	140,010	1,375,809	379,319	98,903	11,513	* 1,650
Other business expenses	7,313,243	6,945,793	248,840	5,105,363	1,591,590	358,232	65,266	* 4,950
Home office business deductions, total	722,027	678,081	20,950	524,746	132,385	** 43,946	** 1,776	**
Net income less deficit [1,2]	29,166,991	28,883,614	499,410	23,126,122	5,258,082	276,444	30,558	14,748
Net income [1,2]	* 33,679,724	* 32,609,417	919,561	25,065,303	* 6,624,553	1,058,929	151,603	19,897
Deficit [2]	4,512,733	3,725,803	420,151	1,939,181	1,366,472	* 782,485	121,045	* 5,149
<b>Returns with Schedule C-EZ:</b>								
Number of returns	139,742	131,817	3,547	97,444	30,826	** 7,925	** 5,205	**
Business receipts	1,824,814	1,760,127	121,162	1,154,851	484,113	** 64,688	** 28,504	**
Business deductions	201,524	193,318	* 3,860	162,494	26,964	8,207	* 7,145	0
Net income	1,623,290	1,566,809	117,303	992,357	457,149	** 56,481	** 21,359	**

Footnotes at end of table.

**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Real estate and rental and leasing—continued					Professional, scientific, and technical services			
	Rental and leasing services—continued				Lessors of nonfinancial intangible assets (except copyrighted works)	Total	Legal services	Offices of certified public accountants	Other accounting services
	Formal wear and costume rental	Video tape and disc rental	General rental centers and other consumer goods rental	Commercial and industrial machinery and equipment rental and leasing					
	(87)	(88)	(89)	(90)	(91)	(92)	(93)	(94)	(95)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>									
<b>Number of returns [1]</b>	<b>605</b>	<b>1,761</b>	<b>23,930</b>	<b>23,082</b>	<b>1,534</b>	<b>3,466,550</b>	<b>347,931</b>	<b>36,668</b>	<b>366,590</b>
<b>Business receipts, total [1,2]</b>	<b>291</b>	<b>221,107</b>	<b>1,578,485</b>	<b>2,468,995</b>	<b>49,014</b>	<b>188,626,180</b>	<b>40,868,244</b>	<b>4,056,721</b>	<b>9,536,589</b>
Income from sales and operations [1]	* 291	**	1,563,683	2,308,875	46,721	185,149,616	40,186,760	4,014,368	9,413,304
Other business income (loss) [1]	0	**	14,802	160,120	* 2,293	3,476,564	681,484	42,353	123,286
<b>Business deductions, total [1,2]</b>	<b>* 14,795</b>	<b>* 221,972</b>	<b>1,326,113</b>	<b>2,505,385</b>	<b>43,924</b>	<b>110,999,480</b>	<b>23,280,413</b>	<b>2,367,036</b>	<b>5,522,508</b>
Cost of sales and operations, total	**	* 73,720	** 335,341	592,434	* 15,148	24,323,644	2,787,434	47,986	344,855
Inventory, beginning of year	**	**	** 67,893	44,033	0	891,388	58,058	* 19,678	8,437
Cost of labor	**	0	** 5,010	49,447	0	3,556,777	212,324	* 569	* 53,997
Purchases	**	* 59,527	** 332,218	** 318,496	**	9,432,142	47,065	**	** 18,665
Materials and supplies	**	**	** 18,311	86,979	0	3,292,697	165,479	**	** 16,914
Other costs	**	**	** 47,344	** 170,364	**	8,117,673	2,372,647	42,574	256,198
Inventory, end of year	**	**	** 121,242	61,737	0	967,033	68,139	* 19,973	* 4,218
Advertising expenses	416	* 1,235	47,773	10,916	* 565	2,833,054	902,399	32,948	64,449
Car and truck expenses	**	* 4,564	** 120,039	** 82,810	**	7,397,376	887,964	116,053	632,309
Commissions	0	0	* 1,793	14,673	* 1,693	1,373,116	286,209	30,035	78,029
Contract labor	0	**	** 80,915	63,943	* 5,039	6,430,007	1,139,549	91,150	235,419
Depletion	0	0	**	4,108	0	11,989	1,569	**	** 14
Depreciation	**	* 11,695	** 202,952	** 833,622	**	3,275,242	322,765	104,451	210,571
Employee benefit programs	0	0	4,569	** 7,231	**	676,080	233,714	33,302	28,330
Insurance	0	* 4,787	25,653	36,501	* 617	1,699,708	585,638	63,328	88,650
Legal and professional services	**	**	** 21,352	33,449	2,401	3,158,393	827,801	54,154	202,910
Meals and entertainment deducted	**	* 145	** 13,553	17,602	* 73	1,501,040	259,953	32,406	73,537
Mortgage interest	0	**	** 22,812	** 30,558	**	246,478	62,966	3,407	23,014
Other interest paid on business indebtedness	**	* 5,961	** 10,653	65,781	* 131	556,026	117,519	21,151	25,986
Office expenses	**	* 1,653	** 13,364	13,257	* 864	3,038,290	880,181	173,062	228,921
Pension and profit-sharing plans	0	0	* 631	* 526	0	334,466	94,716	11,221	12,419
Rent paid on machinery and equipment	**	0	13,565	** 51,236	**	809,949	179,707	22,780	55,309
Rent paid on other business property	**	28,585	33,928	37,118	409	4,658,143	1,871,880	149,290	224,137
Repairs	0	* 1,354	37,333	78,450	* 278	1,011,972	170,379	37,334	94,640
Supplies	**	* 4,561	** 77,240	44,356	* 771	3,098,325	344,999	45,334	161,095
Salaries and wages	0	* 47,419	62,355	** 159,296	**	13,706,454	4,503,517	610,770	885,453
Taxes paid	**	* 6,201	** 49,313	55,272	* 530	2,020,696	575,536	77,762	118,376
Travel	**	**	** 21,621	33,351	* 625	4,645,939	451,844	33,708	123,478
Utilities	**	* 10,754	** 46,889	28,097	* 1,035	4,310,980	900,713	90,164	379,295
Other business expenses	* 461	* 11,116	63,514	212,926	9,218	16,559,658	4,610,232	446,669	899,370
Home office business deductions, total	**	**	** 40,832	** 1,340	**	2,674,305	234,976	30,079	223,204
<b>Net income less deficit [1,2]</b>	<b>-14,504</b>	<b>-865</b>	<b>256,189</b>	<b>-9,681</b>	<b>6,933</b>	<b>77,705,005</b>	<b>17,591,812</b>	<b>1,689,686</b>	<b>4,017,363</b>
Net income [1,2]	0	23,141	419,887	444,401	11,378	85,325,983	* 18,246,729	1,776,951	* 4,478,754
Deficit [2]	* 14,504	24,006	* 163,698	* 454,082	4,445	7,620,978	654,917	* 87,265	461,391
<b>Returns with Schedule C-EZ:</b>									
Number of returns	0	**	** 140	** 2,579	**	644,553	44,879	3,853	103,710
Business receipts	0	**	** 19,758	** 16,426	**	6,827,216	626,361	35,517	696,910
Business deductions	0	0	0	* 1,062	0	648,354	46,254	8,478	108,748
Net income	0	**	** 19,758	** 15,364	**	6,178,862	580,107	27,038	588,162

Footnotes at end of table.

**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Professional, scientific, and technical services—continued							
	Architectural, engineering, and related services						Specialized design services	Computer systems design services
	Total	Architectural services	Engineering services	Drafting, building inspections, and geophysical surveying	Surveying and mapping (except geophysical) services	Testing laboratories		
	(96)	(97)	(98)	(99)	(100)	(101)	(102)	(103)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>								
Number of returns [1]	280,184	129,573	90,208	47,176	7,272	5,954	265,140	280,871
Business receipts, total [1,2]	16,384,728	8,033,296	5,824,908	1,579,742	434,146	512,638	10,336,499	12,403,274
Income from sales and operations [1]	16,211,318	7,873,243	5,812,334	1,579,673	** 946,068	**	10,178,124	12,382,642
Other business income (loss) [1]	173,410	160,053	12,574	* 68	** 716	**	158,375	20,631
Business deductions, total [1,2]	11,267,744	6,001,433	3,688,253	822,748	305,990	449,321	7,885,318	7,322,694
Cost of sales and operations, total	3,486,585	1,804,350	1,496,772	** 185,463	**	* [4]	3,771,361	1,852,685
Inventory, beginning of year	86,024	* 14,162	** 71,861	**	0	0	104,282	115,637
Cost of labor	412,553	293,698	** 118,855	**	0	0	167,459	574,986
Purchases	1,132,646	516,516	582,017	14,136	659	* 19,319	2,285,178	698,541
Materials and supplies	932,816	737,751	133,001	* 7,019	** 55,045	**	706,221	75,720
Other costs	1,006,359	254,710	662,526	** 89,124	0	**	623,540	516,175
Inventory, end of year	83,814	* 12,488	** 71,327	**	0	0	115,319	128,374
Advertising expenses	112,734	70,177	21,622	17,376	* 610	* 2,949	128,202	188,598
Car and truck expenses	767,547	410,023	169,769	135,697	9,760	* 42,299	450,674	527,677
Commissions	66,212	59,472	4,857	** 1,885	**	0	53,779	78,853
Contract labor	800,643	317,850	257,349	67,098	78,387	* 79,958	350,668	707,515
Depletion	* 151	**	0	** 151	0	0	0	* 26
Depreciation	548,593	375,067	79,613	21,293	* 47,041	* 25,579	207,408	155,871
Employee benefit programs	78,097	38,847	31,626	* 4,565	* 1,122	* 1,936	8,344	44,398
Insurance	298,884	185,385	66,522	30,750	12,678	3,550	42,942	42,735
Legal and professional services	237,287	124,311	89,056	16,338	3,765	3,817	113,365	114,886
Meals and entertainment deducted	90,387	41,906	34,497	12,202	569	* 1,213	70,334	93,539
Mortgage interest	28,709	10,470	* 6,861	* 11,154	** 224	**	6,962	5,164
Other interest paid on business indebtedness	55,906	28,254	20,082	* 2,402	* 367	* 4,801	30,463	24,129
Office expenses	193,955	94,224	61,864	31,224	4,136	2,507	130,480	185,042
Pension and profit-sharing plans	28,453	8,327	11,577	* 3,645	** 4,904	**	* 2,155	49,757
Rent paid on machinery and equipment	85,919	39,057	41,121	** 5,546	**	195	34,543	23,043
Rent paid on other business property	306,672	161,352	124,956	7,734	3,803	8,827	319,375	111,094
Repairs	159,729	120,423	24,101	6,406	2,468	* 6,332	33,802	38,913
Supplies	315,271	189,921	83,088	29,754	9,039	* 3,470	383,778	199,615
Salaries and wages	1,463,878	801,739	392,260	143,156	* 67,200	* 59,522	308,788	920,789
Taxes paid	234,553	135,379	63,099	16,648	11,481	* 7,945	91,436	99,418
Travel	256,750	74,237	154,865	16,016	* 3,457	8,175	160,571	370,784
Utilities	322,388	165,357	97,293	39,898	8,277	11,564	248,886	267,567
Other business expenses	989,080	553,512	269,504	114,281	20,375	31,408	675,279	972,709
Home office business deductions, total	310,763	175,949	76,674	48,356	** 9,783	**	228,737	207,761
Net income less deficit [1,2]	5,121,625	2,036,093	2,137,065	756,995	128,156	63,317	2,442,433	5,087,334
Net income [1,2]	* 5,775,387	* 2,352,942	* 2,390,165	807,492	135,531	89,256	3,010,594	* 5,672,367
Deficit [2]	653,762	316,849	253,100	* 50,498	7,376	25,939	568,161	585,033
<b>Returns with Schedule C-EZ:</b>								
Number of returns	43,219	24,709	11,948	** 6,561	0	**	42,355	61,217
Business receipts	470,422	229,147	195,039	** 46,236	0	**	285,453	775,807
Business deductions	28,597	15,842	9,227	** 3,529	0	**	32,983	40,127
Net income	441,824	213,306	185,812	** 42,706	0	**	252,469	735,680

Footnotes at end of table.



**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Professional, scientific, and technical services—continued						Administrative and support and waste management and remediation services		
	Other professional, scientific, and technical services						Total	Administrative and support services	Waste management and remediation services
	Total	Management, scientific, and technical consulting services	Scientific research and development services	Advertising and related services	Market research and public opinion polling	Other miscellaneous services			
	(104)	(105)	(106)	(107)	(108)	(109)	(110)	(111)	(112)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>									
Number of returns [1]	1,889,165	930,088	50,157	131,964	42,940	734,017	2,557,938	2,538,754	19,183
Business receipts, total [1,2]	95,040,125	50,476,497	1,199,653	8,196,172	1,195,734	33,972,069	75,647,974	72,981,513	2,666,461
Income from sales and operations [1]	92,763,101	49,081,900	1,186,893	8,143,474	1,188,326	33,162,508	74,738,925	72,115,347	2,623,578
Other business income (loss) [1]	2,277,024	1,394,596	12,760	52,698	* 7,408	809,561	909,049	866,166	42,883
Business deductions, total [1,2]	53,353,769	24,277,748	764,031	5,913,444	864,711	21,533,835	54,459,303	52,017,917	2,441,386
Cost of sales and operations, total	12,032,739	4,200,258	90,213	1,982,032	447,369	5,312,867	14,385,049	13,679,102	705,946
Inventory, beginning of year	499,273	** 172,790	**	42,325	* 5,077	279,081	206,866	197,138	9,727
Cost of labor	2,134,888	** 1,150,634	**	57,859	* 84,815	841,580	2,542,735	2,499,121	43,613
Purchases	5,250,047	1,318,809	* 15,915	1,170,772	* 181,729	2,562,822	5,191,107	4,800,747	390,360
Materials and supplies	1,395,546	356,107	11,672	** 182,102	**	845,665	2,589,696	2,538,590	51,106
Other costs	3,300,180	1,433,527	43,144	** 749,416	**	1,074,093	4,065,912	3,828,069	237,843
Inventory, end of year	547,196	208,043	* 4,085	43,200	* 1,494	290,373	211,267	184,563	26,703
Advertising expenses	1,403,724	634,142	13,686	380,667	7,275	367,954	787,849	751,817	36,031
Car and truck expenses	4,015,152	1,972,786	70,582	364,778	36,101	1,570,905	7,168,546	7,005,128	163,418
Commissions	779,999	343,995	3,563	167,667	* 10,628	254,146	709,434	699,483	* 9,951
Contract labor	3,105,063	1,702,357	62,080	457,177	48,517	834,933	3,458,219	3,413,289	44,931
Depletion	10,229	6,155	** 3,433	**	**	641	8,395	** 8,395	**
Depreciation	1,725,582	726,093	28,808	95,870	5,269	869,543	2,721,755	2,491,076	230,679
Employee benefit programs	249,896	133,122	4,229	19,439	2,551	90,556	126,302	114,218	12,084
Insurance	577,531	257,368	9,929	41,279	4,923	264,033	1,384,363	1,296,853	87,511
Legal and professional services	1,607,990	972,542	25,534	128,301	11,358	470,256	614,895	601,003	13,892
Meals and entertainment deducted	880,884	507,019	6,089	72,443	3,434	291,899	467,574	457,311	10,263
Mortgage interest	116,255	46,102	* 4,657	11,504	0	53,993	107,355	93,745	13,610
Other interest paid on business indebtedness	280,872	158,444	2,075	20,566	* 93	99,694	266,835	253,760	13,075
Office expenses	1,246,648	634,610	15,907	111,447	17,883	466,801	732,425	712,523	19,902
Pension and profit-sharing plans	135,744	91,320	1,753	4,636	* 2,644	35,392	44,631	43,937	* 694
Rent paid on machinery and equipment	408,647	170,941	3,520	41,617	3,513	189,056	508,452	494,050	14,402
Rent paid on other business property	1,675,694	739,829	39,234	215,521	31,603	649,507	811,179	779,599	31,580
Repairs	477,174	183,892	6,531	21,816	2,489	262,447	1,250,218	1,152,233	97,984
Supplies	1,648,232	543,316	38,028	169,622	21,118	876,147	2,898,005	2,837,800	60,205
Salaries and wages	5,013,260	2,084,351	78,049	368,503	75,381	2,406,976	5,658,918	5,355,892	303,026
Taxes paid	823,614	331,364	10,464	46,858	16,475	418,452	929,515	872,825	56,690
Travel	3,248,803	2,124,202	62,092	209,691	13,539	839,279	783,347	775,771	7,575
Utilities	2,101,967	1,118,104	17,462	210,818	23,949	731,635	1,837,382	1,780,312	57,070
Other business expenses	7,966,318	3,593,791	129,040	634,190	52,827	3,556,470	5,435,330	4,995,423	439,907
Home office business deductions, total	1,438,784	809,478	31,544	114,612	4,414	478,736	639,239	628,307	10,932
Net income less deficit [1,2]	41,754,752	26,238,310	435,941	2,284,589	331,023	12,464,889	21,240,361	21,014,858	225,503
Net income [1,2]	46,365,200	* 29,063,727	568,931	2,574,061	373,704	* 13,784,776	* 25,529,488	* 25,200,484	329,004
Deficit [2]	4,610,448	2,825,418	* 132,990	289,473	* 42,681	1,319,887	4,289,127	4,185,626	103,501
<b>Returns with Schedule C-EZ:</b>									
Number of returns	345,321	142,845	20,294	23,542	19,113	139,526	770,204	** 770,203	**
Business receipts	3,936,746	2,263,950	135,012	177,145	135,230	1,225,409	5,877,331	** 5,877,331	**
Business deductions	383,167	192,169	5,859	22,157	21,265	141,716	724,950	** 724,950	**
Net income	3,553,580	2,071,781	129,152	154,987	113,965	1,083,693	5,152,381	** 5,152,381	**

Footnotes at end of table.

**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Educational services	Health care and social assistance						
	Total	Total	Ambulatory health care services					
			Total	Offices of physicians (except mental health specialists)	Offices of physicians, mental health specialists	Offices of dentists	Offices of chiropractors	Offices of optometrists
	(113)	(114)	(115)	(116)	(117)	(118)	(119)	(120)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>								
Number of returns [1]	823,153	2,127,345	1,234,900	191,001	38,021	68,359	35,978	20,172
Business receipts, total [1,2]	12,991,265	121,086,389	97,997,476	31,370,296	3,882,589	24,440,334	4,077,356	4,086,358
Income from sales and operations [1]	12,787,414	119,351,156	96,675,955	30,645,434	3,874,253	24,297,489	4,012,432	4,031,905
Other business income (loss) [1]	203,852	1,735,234	1,321,521	724,862	8,335	142,845	64,924	54,452
Business deductions, total [1,2]	8,500,048	72,717,227	57,517,015	16,590,434	1,595,127	16,905,891	2,600,541	2,921,706
Cost of sales and operations, total	916,395	6,478,778	5,635,585	1,886,126	24,739	1,591,450	248,424	817,663
Inventory, beginning of year	96,551	432,186	374,606	74,672	* 3,335	** 49,806	**	101,125
Cost of labor	115,148	1,203,518	1,012,511	** 299,775	**	264,135	* 4,880	* 1,030
Purchases	396,262	2,146,517	1,896,866	** 780,911	**	193,592	103,980	581,766
Materials and supplies	102,045	920,631	864,568	134,855	* 5,855	447,567	* 7,296	118,224
Other costs	322,012	2,245,708	1,895,159	682,116	* 11,633	690,124	129,529	124,809
Inventory, end of year	115,625	469,783	408,125	79,188	* 3,100	** 51,035	**	109,292
Advertising expenses	226,061	1,089,481	936,839	167,313	22,341	318,439	107,279	39,043
Car and truck expenses	910,627	3,771,397	2,671,100	342,203	99,476	158,360	128,505	43,055
Commissions	133,662	493,807	447,476	63,788	* 16,638	58,518	* 10,117	* 3,735
Contract labor	430,082	2,896,298	2,240,153	673,671	149,952	400,318	76,447	50,055
Depletion	* 832	397	396	* 225	** 91	**	**	**
Depreciation	234,079	2,162,450	1,760,233	402,504	46,722	728,876	85,917	75,809
Employee benefit programs	12,392	602,771	526,122	210,556	11,283	144,051	21,756	35,900
Insurance	129,887	1,930,906	1,622,533	704,529	64,023	334,354	73,061	46,343
Legal and professional services	168,655	1,513,832	1,333,598	453,967	76,926	290,291	46,918	35,244
Meals and entertainment deducted	112,481	1,171,741	452,784	96,105	25,012	55,031	15,712	8,037
Mortgage interest	20,922	293,634	161,340	38,459	* 4,095	76,110	* 5,977	* 2,489
Other interest paid on business indebtedness	35,556	445,066	356,461	67,751	3,726	174,472	36,435	23,524
Office expenses	231,269	1,845,179	1,584,256	447,952	55,135	432,857	135,371	52,178
Pension and profit-sharing plans	7,386	380,834	377,096	155,276	4,011	172,598	* 3,204	5,243
Rent paid on machinery and equipment	66,852	521,552	382,975	123,144	11,126	78,439	13,275	11,985
Rent paid on other business property	808,232	5,497,095	4,468,064	1,164,598	219,990	1,027,595	376,519	260,568
Repairs	121,696	1,018,285	684,796	151,207	18,207	242,046	37,357	16,022
Supplies	395,942	4,336,021	3,310,230	885,875	43,345	1,323,102	233,027	52,632
Salaries and wages	777,729	16,841,367	13,883,857	3,960,152	184,414	5,744,630	437,217	756,820
Taxes paid	174,507	2,210,889	1,808,223	502,151	51,976	677,451	74,722	94,150
Travel	426,703	1,073,900	923,381	278,605	61,033	97,733	36,718	18,333
Utilities	414,814	2,730,490	1,908,874	404,130	81,347	405,323	109,322	70,387
Other business expenses	1,331,351	11,612,802	9,340,993	3,299,022	275,284	2,352,502	256,818	395,969
Home office business deductions, total	236,011	1,319,169	422,449	75,498	40,039	13,023	21,037	1,438
<b>Net income less deficit [1,2]</b>	<b>4,501,012</b>	<b>48,449,274</b>	<b>40,513,212</b>	<b>14,789,444</b>	<b>2,287,535</b>	<b>7,534,852</b>	<b>1,476,815</b>	<b>1,170,733</b>
Net income [1,2]	* 5,536,357	* 51,715,888	* 42,726,775	15,144,315	2,338,649	7,735,881	1,509,150	1,186,947
Deficit [2]	1,035,344	3,266,614	2,213,563	354,871	* 51,113	* 201,029	* 32,335	* 16,214
<b>Returns with Schedule C-EZ:</b>								
Number of returns	273,675	585,946	303,460	40,940	3,293	11,158	* 4,337	* 3,651
Business receipts	1,257,203	5,598,162	3,295,877	795,242	19,838	98,602	* 93,536	* 47,720
Business deductions	175,925	479,085	277,200	35,627	4,285	8,244	* 9,396	* 5,083
Net income	1,081,277	5,119,077	3,018,677	759,615	15,553	90,358	* 84,139	* 42,637

Footnotes at end of table.

**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Health care and social assistance—continued						
	Ambulatory health care services—continued						Hospitals
	Offices of mental health practitioners and social therapists	Offices of podiatrists	Outpatient care centers and other miscellaneous health practitioners	Medical and diagnostic laboratories	Home health care services	Other ambulatory health care services (including ambulance services, blood, and organ banks)	
	(121)	(122)	(123)	(124)	(125)	(126)	(127)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>							
<b>Number of returns [1]</b>	<b>201,148</b>	<b>4,486</b>	<b>220,260</b>	<b>23,030</b>	<b>387,945</b>	<b>44,500</b>	<b>7,853</b>
<b>Business receipts, total [1,2]</b>	<b>11,125,667</b>	<b>1,002,086</b>	<b>7,301,927</b>	<b>1,082,985</b>	<b>7,912,267</b>	<b>1,715,610</b>	<b>546,570</b>
Income from sales and operations [1]	10,986,605	1,000,885	7,244,623	1,098,991	7,786,423	1,696,915	544,187
Other business income (loss) [1]	139,062	* 1,202	57,304	-16,006	125,845	18,695	2,383
<b>Business deductions, total [1,2]</b>	<b>5,340,278</b>	<b>539,885</b>	<b>4,171,458</b>	<b>760,794</b>	<b>5,024,826</b>	<b>1,066,075</b>	<b>295,421</b>
Cost of sales and operations, total	369,290	* 17,053	371,979	61,654	160,780	86,427	* 15,792
Inventory, beginning of year	** 32,623	**	** 63,351	**	* 38,542	* 11,152	* 3,025
Cost of labor	282,255	* 3,180	** 50,504	**	** 106,752	**	0
Purchases	** 37,326	**	118,042	* 26,314	24,116	30,821	* 10,173
Materials and supplies	18,404	* 4,384	82,166	* 4,259	** 41,557	**	* 2,593
Other costs	37,814	* 7,460	142,396	23,991	9,896	35,391	* 1,392
Inventory, end of year	** 37,101	**	** 77,391	**	38,237	* 12,782	* 1,391
Advertising expenses	97,234	7,432	112,307	8,308	45,641	11,505	776
Car and truck expenses	430,608	9,444	446,133	47,688	862,197	103,432	29,846
Commissions	** 19,096	**	64,677	22,688	147,243	40,976	* 1,422
Contract labor	300,245	5,752	112,567	106,121	322,676	42,348	* 7,985
Depletion	0	0	** 81	**	**	**	0
Depreciation	82,087	11,068	174,823	30,790	78,352	43,284	9,726
Employee benefit programs	40,194	7,085	21,505	5,108	15,864	12,820	* 3,410
Insurance	107,953	33,038	108,404	10,471	110,820	29,538	9,145
Legal and professional services	159,247	19,955	134,111	18,757	88,526	9,656	3,354
Meals and entertainment deducted	64,701	2,353	60,973	3,746	112,667	8,447	5,818
Mortgage interest	** 6,689	**	8,192	* 54	18,160	* 1,114	0
Other interest paid on business indebtedness	13,139	* 3,759	16,015	2,625	7,975	7,040	* 2,170
Office expenses	174,687	16,331	125,059	14,997	113,563	16,125	3,328
Pension and profit-sharing plans	11,104	3,910	4,394	7,867	7,146	2,344	0
Rent paid on machinery and equipment	50,659	4,681	50,774	4,364	28,954	5,574	3,390
Rent paid on other business property	692,722	77,475	365,856	55,828	191,357	35,556	7,440
Repairs	46,261	6,849	44,895	8,082	92,393	21,477	25,737
Supplies	185,719	42,812	200,396	58,125	232,282	52,914	10,759
Salaries and wages	777,135	106,275	455,005	118,456	1,078,128	265,625	* 55,884
Taxes paid	144,437	16,416	76,712	10,414	126,885	32,909	4,126
Travel	139,533	1,712	154,023	14,105	87,497	34,089	7,422
Utilities	298,958	15,851	212,885	17,878	271,640	21,152	6,176
Other business expenses	935,342	127,622	764,143	120,975	656,679	156,637	78,688
Home office business deductions, total	149,611	* 2,333	52,205	* 774	58,735	7,757	* 2,000
<b>Net income less deficit [1,2]</b>	<b>5,796,567</b>	<b>462,201</b>	<b>3,131,089</b>	<b>322,238</b>	<b>2,892,202</b>	<b>649,535</b>	<b>251,149</b>
Net income [1,2]	5,941,050	466,397	3,581,063	370,752	* 3,758,777	693,795	259,197
Deficit [2]	144,483	4,196	* 449,975	48,513	* 866,575	* 44,260	8,048
<b>Returns with Schedule C-EZ:</b>							
Number of returns	** 34,151	**	54,769	10,534	122,859	17,768	2,172
Business receipts	** 346,109	**	524,602	54,712	1,205,683	109,833	25,617
Business deductions	** 44,304	**	33,423	* 10,910	108,623	17,306	* 1,025
Net income	** 301,806	**	491,179	43,803	1,097,060	92,527	24,593

Footnotes at end of table.

**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Health care and social assistance—continued		Arts, entertainment, and recreation			
	Nursing and residential care facilities	Social assistance	Total	Performing arts, spectator sports and related industries	Museums, historical sites, and similar institutions	Amusement, gambling, and recreation industries
	(128)	(129)	(130)	(131)	(132)	(133)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>						
<b>Number of returns [1]</b>	<b>69,933</b>	<b>814,658</b>	<b>1,642,700</b>	<b>1,367,392</b>	<b>5,291</b>	<b>270,018</b>
<b>Business receipts, total [1,2]</b>	<b>5,232,008</b>	<b>17,310,335</b>	<b>44,086,606</b>	<b>32,095,805</b>	<b>115,733</b>	<b>11,875,068</b>
Income from sales and operations [1]	5,221,393	16,909,621	42,953,890	31,168,805	115,733	11,669,352
Other business income (loss) [1]	10,615	400,714	1,132,716	927,000	* [4]	205,716
<b>Business deductions, total [1,2]</b>	<b>4,618,587</b>	<b>10,286,204</b>	<b>32,845,985</b>	<b>21,909,763</b>	<b>59,585</b>	<b>10,876,637</b>
Cost of sales and operations, total	332,027	495,374	6,949,324	3,429,516	* 8,328	3,511,480
Inventory, beginning of year	* 13,311	41,244	859,091	626,660	* 28,425	204,006
Cost of labor	154,924	* 36,083	375,756	217,186	0	158,570
Purchases	16,740	222,739	2,706,185	1,500,769	* 3,948	1,201,468
Materials and supplies	8,023	45,447	567,595	** 433,318	**	134,277
Other costs	154,839	194,318	3,379,409	** 1,385,649	**	1,993,761
Inventory, end of year	* 15,810	44,457	938,711	733,997	* 24,114	180,600
Advertising expenses	37,944	113,922	761,261	553,570	* 2,931	204,760
Car and truck expenses	209,903	860,547	2,317,118	1,840,086	* 15,661	461,370
Commissions	7,271	37,638	962,912	** 917,333	**	45,579
Contract labor	168,918	479,242	1,366,037	1,031,945	* 1,184	332,908
Depletion	0	0	186	73	0	* 113
Depreciation	115,905	276,585	1,686,736	1,114,731	* 1,153	570,852
Employee benefit programs	56,890	16,350	99,100	** 75,502	**	23,598
Insurance	102,113	197,115	356,998	202,423	* 201	154,374
Legal and professional services	60,019	116,861	611,874	493,856	1,892	116,126
Meals and entertainment deducted	52,585	660,554	506,130	410,470	* 1,084	94,576
Mortgage interest	91,050	41,244	65,970	37,010	* 305	28,655
Other interest paid on business indebtedness	15,006	71,430	114,161	** 59,649	**	54,512
Office expenses	50,131	207,463	449,642	363,928	* 1,490	84,225
Pension and profit-sharing plans	2,212	* 1,526	18,759	16,035	0	2,723
Rent paid on machinery and equipment	41,346	93,841	317,421	186,938	10	130,473
Rent paid on other business property	325,887	695,705	1,663,518	916,837	815	745,865
Repairs	69,247	238,505	471,351	295,495	* 2,086	173,770
Supplies	219,749	795,283	1,232,334	926,084	* 1,296	304,955
Salaries and wages	1,302,862	1,598,765	1,743,700	882,147	* 4,742	856,810
Taxes paid	192,373	206,166	396,676	173,683	* 1,263	221,731
Travel	38,492	104,605	1,487,731	1,313,500	* 4,919	169,312
Utilities	151,588	663,852	1,131,713	809,336	* 4,079	318,298
Other business expenses	898,173	1,294,948	7,064,040	4,907,683	2,397	2,153,959
Home office business deductions, total	60,634	834,085	731,142	** 670,890	**	60,252
<b>Net income less deficit [1,2]</b>	<b>623,368</b>	<b>7,061,545</b>	<b>11,325,415</b>	<b>10,216,830</b>	<b>56,133</b>	<b>1,052,452</b>
Net income [1,2]	* 1,065,866	* 7,664,050	* 15,564,997	* 13,516,412	68,700	1,979,885
Deficit [2]	* 442,499	602,505	4,239,582	3,299,582	12,567	927,433
<b>Returns with Schedule C-EZ:</b>						
Number of returns	17,093	263,221	398,997	326,792	* 2,037	70,168
Business receipts	154,806	2,121,861	2,260,498	1,720,733	* 14,684	525,080
Business deductions	* 16,264	184,597	340,153	282,083	* 2,709	55,361
Net income	138,543	1,937,264	1,920,345	1,438,650	* 11,976	469,719

Footnotes at end of table.

**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Accommodation, food services, and drinking places						Other services	
	Total	Accommodation				Restaurants (full & limited service) and drinking places	Total	Auto repair and maintenance
		Total	Travel accommodation (including hotels, motels, and bed and breakfast inns)	RV (recreational vehicle) parks and recreational camps	Rooming and boarding houses			Total
	(134)	(135)	(136)	(137)	(138)	(139)	(140)	(141)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>								
Number of returns [1]	487,183	70,618	40,359	17,274	12,984	416,565	3,449,846	393,785
Business receipts, total [1,2]	62,821,629	6,699,754	5,099,806	814,784	785,163	56,121,875	111,682,880	27,947,917
Income from sales and operations [1]	62,335,471	6,579,576	5,022,818	778,851	777,907	55,755,895	110,759,387	27,786,090
Other business income (loss) [1]	486,158	120,178	76,988	35,933	7,256	365,980	923,493	161,827
Business deductions, total [1,2]	59,298,992	6,414,442	4,855,562	803,263	755,616	52,884,550	81,145,244	24,230,287
Cost of sales and operations, total	23,408,782	815,748	683,568	62,157	70,023	22,593,034	22,589,428	10,510,150
Inventory, beginning of year	785,978	94,024	83,431	**	** 10,593	691,954	1,548,267	724,894
Cost of labor	1,784,941	97,514	82,871	**	** 14,643	1,687,427	2,532,693	671,897
Purchases	18,678,336	272,772	198,926	67,710	* 6,136	18,405,564	12,639,291	6,632,233
Materials and supplies	1,630,609	45,057	31,451	* 520	* 13,086	1,585,552	5,310,878	2,253,219
Other costs	1,318,597	407,090	367,249	* 2,032	37,809	911,507	2,145,655	927,384
Inventory, end of year	789,678	100,707	80,359	* 16,439	* 3,910	688,971	1,587,356	699,478
Advertising expenses	868,585	120,882	97,078	10,457	13,346	747,703	1,228,032	248,387
Car and truck expenses	1,147,110	144,410	79,487	40,400	24,522	1,002,700	7,356,315	1,429,364
Commissions	227,274	93,443	82,623	* 5,637	5,183	133,831	789,078	132,357
Contract labor	752,563	131,065	93,639	21,781	* 15,645	621,498	3,895,619	642,016
Depletion	502	* 219	* 122	98	0	* 283	6,957	0
Depreciation	2,169,550	771,143	610,449	100,708	59,986	1,398,407	2,841,946	1,013,945
Employee benefit programs	115,249	34,610	28,682	* 5,544	* 384	80,639	130,770	67,946
Insurance	944,069	186,169	133,039	32,268	20,862	757,900	1,474,228	478,534
Legal and professional services	484,559	74,581	60,880	8,158	5,543	409,979	764,120	151,494
Meals and entertainment deducted	223,356	82,248	16,812	2,062	63,375	141,108	620,151	87,863
Mortgage interest	397,300	266,055	208,631	26,225	31,199	131,245	206,188	98,005
Other interest paid on business indebtedness	310,072	108,899	94,849	10,690	3,360	201,173	352,922	127,461
Office expenses	253,168	42,270	27,870	9,485	4,915	210,898	1,142,868	227,672
Pension and profit-sharing plans	8,407	1,555	1,197	**	** 358	6,852	24,323	9,219
Rent paid on machinery and equipment	292,164	17,947	11,719	2,972	3,256	274,217	882,348	131,312
Rent paid on other business property	3,868,164	214,394	138,686	45,548	30,160	3,653,770	7,268,874	1,320,260
Repairs	1,238,848	379,213	230,392	70,126	78,695	859,635	1,410,339	312,895
Supplies	1,657,929	243,574	169,545	30,123	43,906	1,414,355	5,770,176	1,299,084
Salaries and wages	9,537,158	624,417	539,157	42,020	43,239	8,912,741	6,341,876	2,285,278
Taxes paid	2,812,049	408,953	320,718	50,119	38,117	2,403,096	1,698,609	723,389
Travel	236,613	81,622	30,073	3,060	48,489	154,991	1,018,160	140,723
Utilities	2,810,331	522,017	363,092	104,834	54,091	2,288,314	4,327,605	920,131
Other business expenses	5,337,548	984,741	777,999	116,137	90,605	4,352,807	7,495,707	1,755,015
Home office business deductions, total	119,521	59,258	54,553	**	** 4,705	60,264	660,776	74,371
Net income less deficit [1,2]	3,583,469	324,492	278,648	12,240	33,605	3,258,977	30,626,814	3,719,998
Net income [1,2]	* 6,255,759	* 929,288	* 713,593	127,429	88,266	* 5,326,471	* 36,035,994	4,704,320
Deficit [2]	2,672,290	604,796	* 434,946	* 115,189	* 54,661	2,067,494	5,409,180	* 984,322
<b>Returns with Schedule C-EZ:</b>								
Number of returns	79,530	8,216	* 2,023	* 4,038	* 2,156	71,314	815,519	54,042
Business receipts	532,294	15,715	* 3,043	* 3,821	* 8,851	516,579	6,779,840	458,989
Business deductions	78,119	* 5,009	* 703	* 185	* 4,121	73,110	849,128	43,418
Net income	454,175	10,706	* 2,340	* 3,636	* 4,731	443,469	5,930,712	415,571

Footnotes at end of table.

**Table 2. Nonfarm Sole Proprietorships: Income Statements, by Industrial Sectors, Tax Year 2016—Continued**

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

Net income status, item	Other services—continued						Unclassified establishments
	Auto repair and maintenance—continued			Miscellaneous repairs	Personal and laundry services	Religious, grantmaking, civic, professional, and similar organizations	
	Automotive mechanical and electrical repair and maintenance	Automotive body shops	Other auto repair and maintenance (including oil change, lube, and car washes)				
	(142)	(143)	(144)	(145)	(146)	(147)	(148)
<b>BUSINESSES WITH AND WITHOUT NET INCOME</b>							
<b>Number of returns [1]</b>	<b>210,964</b>	<b>76,677</b>	<b>106,144</b>	<b>399,947</b>	<b>2,374,522</b>	<b>281,592</b>	<b>419,638</b>
<b>Business receipts, total [1,2]</b>	<b>13,454,867</b>	<b>7,687,621</b>	<b>6,805,429</b>	<b>17,516,896</b>	<b>61,293,524</b>	<b>4,924,543</b>	<b>4,541,298</b>
Income from sales and operations [1]	13,319,993	7,674,832	6,791,266	17,430,055	60,728,778	4,814,463	4,480,134
Other business income (loss) [1]	134,874	12,789	14,163	86,841	564,746	110,080	61,164
<b>Business deductions, total [1,2]</b>	<b>11,740,377</b>	<b>6,654,024</b>	<b>5,835,887</b>	<b>14,100,269</b>	<b>40,239,129</b>	<b>2,575,559</b>	<b>2,909,948</b>
Cost of sales and operations, total	5,047,118	3,191,962	2,271,070	5,944,986	5,805,283	329,010	613,117
Inventory, beginning of year	300,299	172,272	252,322	317,838	462,264	* 43,271	** 47,427
Cost of labor	279,942	253,674	138,281	854,190	898,033	* 108,573	** 12,342
Purchases	3,693,729	2,023,684	914,821	2,706,947	3,103,311	* 196,799	248,739
Materials and supplies	841,202	852,117	559,901	1,739,511	1,299,742	* 18,406	76,814
Other costs	297,593	74,195	555,597	627,499	589,836	* 936	325,987
Inventory, end of year	365,647	183,981	149,851	300,999	547,903	* 38,976	** 97,080
Advertising expenses	110,796	62,694	74,897	144,945	819,794	14,906	56,069
Car and truck expenses	776,766	264,295	388,302	1,424,717	3,807,672	694,563	518,698
Commissions	28,572	* 94,597	9,188	73,640	580,079	* 3,001	51,283
Contract labor	303,222	195,305	143,489	656,642	2,542,200	54,760	49,270
Depletion	0	0	0	**	* 6,958	**	* 195
Depreciation	491,273	232,496	290,176	553,318	1,231,831	42,852	98,468
Employee benefit programs	20,565	38,149	9,232	20,327	40,296	* 2,201	* 837
Insurance	220,767	123,416	134,351	327,130	639,461	29,103	46,656
Legal and professional services	75,812	39,670	36,012	112,290	477,439	22,897	57,289
Meals and entertainment deducted	47,309	22,005	18,549	88,125	372,610	71,553	41,403
Mortgage interest	37,019	22,778	38,207	21,347	** 86,836	**	17,425
Other interest paid on business indebtedness	59,395	31,710	36,356	47,577	174,646	3,238	18,854
Office expenses	108,176	55,038	64,457	127,371	703,647	84,179	92,423
Pension and profit-sharing plans	* 2,851	* 1,972	* 4,395	1,295	** 13,809	**	** 298
Rent paid on machinery and equipment	83,719	34,308	13,285	118,153	620,906	11,978	37,867
Rent paid on other business property	719,125	224,768	376,367	344,077	5,429,820	174,718	126,565
Repairs	118,606	67,519	126,769	257,428	807,390	32,627	91,951
Supplies	612,416	392,360	294,308	847,602	3,531,798	91,692	241,320
Salaries and wages	1,062,992	631,412	590,873	903,562	3,148,210	* 4,826	27,644
Taxes paid	371,143	172,013	180,233	252,691	704,928	17,600	23,104
Travel	63,191	25,873	51,660	113,709	617,208	146,520	94,303
Utilities	429,745	236,901	253,485	457,904	2,780,050	169,520	161,219
Other business expenses	887,681	471,078	396,256	1,092,432	4,194,768	453,493	317,922
Home office business deductions, total	41,623	16,021	16,727	115,574	411,695	59,137	25,577
<b>Net income less deficit [1,2]</b>	<b>1,714,490</b>	<b>1,035,302</b>	<b>970,206</b>	<b>3,416,808</b>	<b>21,140,746</b>	<b>2,349,262</b>	<b>1,629,828</b>
Net income [1,2]	2,281,708	1,163,557	1,259,054	4,316,712	* 24,381,554	2,633,408	* 2,501,838
Deficit [2]	* 567,218	* 128,256	* 288,848	899,903	3,240,809	* 284,146	* 872,010
<b>Returns with Schedule C-EZ:</b>							
Number of returns	32,462	* 8,408	13,172	70,191	607,097	84,189	206,131
Business receipts	253,312	* 63,640	142,038	494,969	5,237,163	588,719	1,249,427
Business deductions	20,492	* 5,683	* 17,243	50,607	700,274	54,828	100,290
Net income	232,820	* 57,956	124,795	444,361	4,536,889	533,891	1,149,137

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

\*\* Data combined to prevent disclosure of taxpayer information.

[1] Includes returns with Schedule C-EZ attached. Schedule C-EZ was filed for certain small businesses, i.e., those with net incomes, business expenses of \$5,000 or less, used the cash accounting method, with no inventories or employees, and with no deduction for a home office business and no allowable "passive" activity losses. Because only a total is reported for business deductions on Schedule C-EZ, the totals shown in the statistics exceed the sum of the detailed deductions; the detailed deductions are, therefore, slightly understated.

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

[3] These are selected line items from Form 8829, *Expenses for Business Use of Your Home*, and do not represent the total of the home office business deduction found on the Schedule C.

[4] Less than \$500.

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

SOURCE: IRS, Statistics of Income Division, Sole Proprietorship Returns 2016, August 2018.



**Table 3. Number of Returns, Business Receipts, Business Deductions, Net Income, by Industry and Size of Business Receipts, Tax Year 2016**

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

Industry and size of business receipts	Item			
	Number of returns [1]	Business receipts, total [1,2]	Business deductions, total [1,2]	Net Income less deficit
	(1)	(2)	(3)	(4)
<b>All nonfarm sole proprietorships</b>				
Total	25,525,915	1,422,204,586	1,094,904,101	328,209,453
Under \$2,500	6,241,492	5,461,474	26,151,776	-20,523,761
\$2,500 under \$5,000	2,708,264	9,818,449	11,254,073	-1,409,378
\$5,000 under \$10,000	3,350,635	24,117,291	17,136,252	7,049,499
\$10,000 under \$25,000	5,417,278	87,100,207	46,024,529	41,162,428
\$25,000 under \$50,000	3,080,168	109,058,936	66,046,150	43,117,193
\$50,000 under \$100,000	2,214,863	155,192,603	96,133,684	59,099,205
\$100,000 under \$200,000	1,270,551	177,940,553	120,691,693	57,406,595
\$200,000 under \$500,000	816,740	249,973,175	182,144,034	67,619,606
\$500,000 under \$1,000,000	270,631	184,854,244	150,690,665	34,216,517
\$1,000,000 under \$2,500,000	118,084	173,355,875	149,969,888	23,486,647
\$2,500,000 under \$5,000,000	25,460	86,527,790	78,425,288	8,159,787
\$5,000,000 or more	11,748	158,803,988	150,236,070	8,825,115
<b>Agriculture, forestry, hunting, and fishing</b>				
Total	297,031	21,199,514	19,513,735	1,704,083
Under \$2,500	87,210	73,787	578,652	-500,534
\$2,500 under \$5,000	29,751	103,007	165,372	-62,365
\$5,000 under \$10,000	32,702	244,828	217,213	28,717
\$10,000 under \$25,000	54,542	881,448	736,113	146,185
\$25,000 under \$50,000	31,509	1,161,214	1,115,607	48,917
\$50,000 under \$100,000	27,390	1,982,595	1,678,974	303,206
\$100,000 under \$200,000	20,904	2,969,630	2,146,045	824,546
\$200,000 under \$500,000	5,800	1,748,263	1,403,305	346,640
\$500,000 under \$1,000,000	3,914	2,580,036	2,266,728	313,297
\$1,000,000 under \$2,500,000	2,362	3,421,792	3,251,576	176,119
\$2,500,000 under \$5,000,000	609	2,082,776	2,053,363	30,002
\$5,000,000 or more	338	3,950,139	3,900,787	49,351
<b>Mining</b>				
Total	113,475	6,993,311	6,893,110	105,841
Under \$2,500	48,089	30,561	195,154	-165,658
\$2,500 under \$5,000	10,241	36,304	50,593	-14,413
\$5,000 under \$10,000	9,550	66,005	164,353	-95,014
\$10,000 under \$25,000	12,022	209,946	193,172	16,757
\$25,000 under \$50,000	13,461	490,712	384,656	105,272
\$50,000 under \$100,000	9,846	732,336	546,885	179,227
\$100,000 under \$200,000	4,758	732,822	602,756	130,885
\$200,000 under \$500,000	3,353	1,032,047	1,016,566	15,138
\$500,000 under \$1,000,000	1,323	955,412	981,940	-26,833
\$1,000,000 under \$2,500,000	** 729	** 1,417,917	** 1,412,398	** 8,262
\$2,500,000 under \$5,000,000	**	**	**	**
\$5,000,000 or more	104	1,289,250	1,344,638	-47,782

Footnotes at end of table.

**Table 3. Number of Returns, Business Receipts, Business Deductions, Net Income, by Industry and Size of Business Receipts, Tax Year 2016—Continued**

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

Industry and size of business receipts	Item			
	Number of returns [1]	Business receipts, total [1,2]	Business deductions, total [1,2]	Net Income less deficit
	(1)	(2)	(3)	(4)
<b>Utilities</b>				
Total	14,390	669,064	557,652	114,346
Under \$2,500	5,645	* 503	22,796	-19,465
\$2,500 under \$5,000	* 311	* 1,283	* 1,540	* -229
\$5,000 under \$10,000	* 1,261	* 11,889	* 5,361	* 6,562
\$10,000 under \$25,000	2,029	23,928	* 23,134	794
\$25,000 under \$50,000	* 2,069	* 78,879	* 48,021	* 30,858
\$50,000 under \$100,000	* 1,510	* 114,180	* 102,703	* 11,477
\$100,000 under \$200,000	* 1,165	* 168,321	* 149,423	* 18,867
\$200,000 under \$500,000	* 324	* 85,875	* 48,219	* 37,730
\$500,000 under \$1,000,000	* 55	* 40,917	* 41,226	* -309
\$1,000,000 under \$2,500,000	** 14	** 31,967	** 25,693	** 6,274
\$2,500,000 under \$5,000,000	**	**	**	**
\$5,000,000 or more	* 5	* 111,323	* 89,536	* 21,787
<b>Construction</b>				
Total	2,840,001	242,073,803	201,473,661	40,749,218
Under \$2,500	368,414	392,066	1,478,724	-1,053,477
\$2,500 under \$5,000	214,402	775,552	816,405	-40,852
\$5,000 under \$10,000	299,829	2,162,997	1,398,494	797,002
\$10,000 under \$25,000	645,520	10,494,217	5,253,326	5,285,998
\$25,000 under \$50,000	501,873	17,963,185	10,795,758	7,169,934
\$50,000 under \$100,000	358,807	24,815,624	17,014,771	7,798,554
\$100,000 under \$200,000	203,733	28,005,511	21,828,412	6,177,669
\$200,000 under \$500,000	162,493	49,630,065	42,339,184	7,329,768
\$500,000 under \$1,000,000	53,002	36,030,996	32,999,901	3,031,091
\$1,000,000 under \$2,500,000	24,792	35,186,723	32,794,499	2,396,738
\$2,500,000 under \$5,000,000	5,259	17,404,790	16,362,775	1,052,820
\$5,000,000 or more	1,877	19,212,077	18,391,413	803,975
<b>Manufacturing</b>				
Total	370,081	32,895,561	29,045,936	4,021,563
Under \$2,500	91,081	63,134	540,904	-475,040
\$2,500 under \$5,000	34,059	115,830	128,439	-12,608
\$5,000 under \$10,000	51,250	344,068	326,986	17,082
\$10,000 under \$25,000	71,854	1,190,106	729,506	460,606
\$25,000 under \$50,000	30,555	1,058,612	623,793	434,943
\$50,000 under \$100,000	39,466	2,746,724	2,092,530	654,230
\$100,000 under \$200,000	22,490	3,104,309	2,537,015	714,600
\$200,000 under \$500,000	18,275	5,815,607	4,770,066	1,032,375
\$500,000 under \$1,000,000	6,929	4,889,059	4,386,499	502,694
\$1,000,000 under \$2,500,000	2,674	3,998,986	3,667,941	332,251
\$2,500,000 under \$5,000,000	879	3,033,849	2,846,176	187,750
\$5,000,000 or more	568	6,535,275	6,396,081	172,680

Footnotes at end of table.

**Table 3. Number of Returns, Business Receipts, Business Deductions, Net Income, by Industry and Size of Business Receipts, Tax Year 2016—Continued**

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

Industry and size of business receipts	Item			
	Number of returns [1]	Business receipts, total [1,2]	Business deductions, total [1,2]	Net Income less deficit
	(1)	(2)	(3)	(4)
<b>Wholesale trade (merchant wholesalers)</b>				
Total	342,687	48,439,075	43,923,297	4,546,353
Under \$2,500	92,374	73,955	511,625	-425,046
\$2,500 under \$5,000	25,704	91,060	172,183	-81,123
\$5,000 under \$10,000	37,854	259,338	369,673	-110,335
\$10,000 under \$25,000	53,774	890,761	564,963	325,861
\$25,000 under \$50,000	37,053	1,347,938	883,523	464,415
\$50,000 under \$100,000	31,232	2,218,285	1,639,766	576,685
\$100,000 under \$200,000	31,690	4,420,011	3,363,062	1,056,965
\$200,000 under \$500,000	17,698	5,342,573	4,430,680	911,969
\$500,000 under \$1,000,000	8,232	5,881,504	5,385,670	495,918
\$1,000,000 under \$2,500,000	4,800	7,527,498	7,016,004	522,781
\$2,500,000 under \$5,000,000	1,258	4,431,866	4,129,767	306,833
\$5,000,000 or more	1,019	15,954,286	15,456,382	501,430
<b>Retail trade</b>				
Total	2,329,498	174,647,841	164,143,585	10,600,092
Under \$2,500	835,244	715,944	3,730,857	-2,969,833
\$2,500 under \$5,000	251,934	916,127	1,252,118	-335,967
\$5,000 under \$10,000	292,830	2,116,487	2,262,793	-142,035
\$10,000 under \$25,000	354,171	5,756,875	4,318,569	1,438,316
\$25,000 under \$50,000	206,201	7,298,764	5,913,474	1,386,712
\$50,000 under \$100,000	150,331	10,513,593	8,556,791	1,969,749
\$100,000 under \$200,000	88,307	12,630,217	10,847,563	1,783,503
\$200,000 under \$500,000	82,999	26,480,812	23,560,147	2,932,729
\$500,000 under \$1,000,000	40,093	27,698,248	25,839,787	1,858,211
\$1,000,000 under \$2,500,000	18,588	28,186,982	27,062,627	1,127,764
\$2,500,000 under \$5,000,000	6,260	21,565,901	20,769,839	807,752
\$5,000,000 or more	2,540	30,767,890	30,029,021	743,191
<b>Transportation and warehousing</b>				
Total	1,984,991	103,400,451	88,263,776	14,926,404
Under \$2,500	430,823	412,898	1,348,582	-923,908
\$2,500 under \$5,000	160,797	582,421	860,123	-266,009
\$5,000 under \$10,000	199,231	1,426,454	1,232,494	194,717
\$10,000 under \$25,000	364,295	6,012,765	4,153,073	1,865,808
\$25,000 under \$50,000	313,425	11,195,927	8,452,182	2,747,617
\$50,000 under \$100,000	267,614	18,910,663	14,146,829	4,765,480
\$100,000 under \$200,000	179,277	24,585,056	20,222,617	4,363,088
\$200,000 under \$500,000	49,498	14,699,474	12,870,988	1,532,857
\$500,000 under \$1,000,000	13,285	8,860,408	8,492,913	374,438
\$1,000,000 under \$2,500,000	5,204	7,615,249	7,432,667	200,814
\$2,500,000 under \$5,000,000	1,053	3,615,598	3,570,519	49,104
\$5,000,000 or more	489	5,483,537	5,480,788	22,398

Footnotes at end of table.

**Table 3. Number of Returns, Business Receipts, Business Deductions, Net Income, by Industry and Size of Business Receipts, Tax Year 2016—Continued**

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

Industry and size of business receipts	Item			
	Number of returns [1]	Business receipts, total [1,2]	Business deductions, total [1,2]	Net Income less deficit
	(1)	(2)	(3)	(4)
<b>Information</b>				
Total	367,766	11,744,041	9,476,807	2,333,927
Under \$2,500	137,671	119,482	716,109	-598,648
\$2,500 under \$5,000	43,748	161,507	202,547	-38,776
\$5,000 under \$10,000	50,718	356,708	229,056	127,652
\$10,000 under \$25,000	66,756	1,080,388	650,876	429,513
\$25,000 under \$50,000	34,910	1,204,338	875,237	331,078
\$50,000 under \$100,000	15,325	1,109,081	748,682	360,398
\$100,000 under \$200,000	9,870	1,293,955	814,592	479,409
\$200,000 under \$500,000	5,727	1,670,198	991,193	679,005
\$500,000 under \$1,000,000	1,805	1,180,172	953,616	244,394
\$1,000,000 under \$2,500,000	969	1,360,186	1,170,778	194,258
\$2,500,000 under \$5,000,000	163	551,269	516,230	42,051
\$5,000,000 or more	104	1,656,757	1,607,890	83,592
<b>Finance and insurance</b>				
Total	609,412	76,056,618	55,216,156	20,879,459
Under \$2,500	143,864	23,095	1,034,037	-1,026,082
\$2,500 under \$5,000	48,070	180,972	328,918	-147,943
\$5,000 under \$10,000	60,676	427,049	375,406	51,629
\$10,000 under \$25,000	91,849	1,524,778	1,120,774	416,741
\$25,000 under \$50,000	57,021	2,063,985	1,203,537	863,670
\$50,000 under \$100,000	85,166	6,150,989	3,498,693	2,655,689
\$100,000 under \$200,000	55,298	7,882,539	3,899,210	3,983,344
\$200,000 under \$500,000	46,778	14,558,124	8,286,947	6,292,053
\$500,000 under \$1,000,000	14,186	9,481,444	5,557,095	3,925,735
\$1,000,000 under \$2,500,000	4,892	7,156,498	4,786,268	2,380,799
\$2,500,000 under \$5,000,000	1,047	3,325,090	2,702,434	619,257
\$5,000,000 or more	565	23,282,055	22,422,837	864,568
<b>Real estate and rental and leasing</b>				
Total	1,282,230	82,601,087	53,520,159	29,166,991
Under \$2,500	239,400	103,642	1,585,892	-1,454,122
\$2,500 under \$5,000	97,118	360,324	639,361	-272,897
\$5,000 under \$10,000	141,363	1,021,178	1,198,935	-179,100
\$10,000 under \$25,000	267,646	4,477,882	2,918,796	1,552,849
\$25,000 under \$50,000	179,870	6,534,051	3,929,502	2,604,986
\$50,000 under \$100,000	170,850	12,022,536	5,680,434	6,353,106
\$100,000 under \$200,000	110,080	15,454,466	7,711,719	7,736,811
\$200,000 under \$500,000	56,735	16,604,062	9,550,585	7,076,149
\$500,000 under \$1,000,000	12,107	8,541,954	5,456,036	3,099,968
\$1,000,000 under \$2,500,000	5,344	7,930,777	6,215,202	1,721,216
\$2,500,000 under \$5,000,000	1,241	4,200,088	3,593,936	605,337
\$5,000,000 or more	474	5,350,127	5,039,762	322,689

Footnotes at end of table.

**Table 3. Number of Returns, Business Receipts, Business Deductions, Net Income, by Industry and Size of Business Receipts, Tax Year 2016—Continued**

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

Industry and size of business receipts	Item			
	Number of returns [1]	Business receipts, total [1,2]	Business deductions, total [1,2]	Net Income less deficit
	(1)	(2)	(3)	(4)
<b>Professional, scientific, and technical services</b>				
Total	3,466,550	188,626,180	110,999,480	77,705,005
Under \$2,500	863,949	676,115	3,630,675	-2,940,787
\$2,500 under \$5,000	365,641	1,309,002	1,504,557	-195,048
\$5,000 under \$10,000	428,902	3,084,253	2,189,566	900,116
\$10,000 under \$25,000	665,173	10,854,100	5,774,167	5,084,852
\$25,000 under \$50,000	421,372	14,912,785	7,774,716	7,135,039
\$50,000 under \$100,000	332,515	23,497,667	10,571,977	12,935,335
\$100,000 under \$200,000	208,865	29,696,784	13,779,507	15,917,784
\$200,000 under \$500,000	127,345	38,321,538	18,524,370	19,795,979
\$500,000 under \$1,000,000	33,756	22,273,563	13,983,004	8,296,328
\$1,000,000 under \$2,500,000	15,529	22,619,111	16,428,606	6,196,783
\$2,500,000 under \$5,000,000	2,310	7,766,937	5,641,814	2,125,075
\$5,000,000 or more	1,194	13,614,325	11,196,521	2,453,549
<b>Administrative and support and waste management services</b>				
Total	2,557,938	75,647,974	54,459,303	21,240,361
Under \$2,500	587,647	569,411	2,317,977	-1,733,374
\$2,500 under \$5,000	330,299	1,206,116	1,016,455	189,661
\$5,000 under \$10,000	445,062	3,210,861	1,737,587	1,474,143
\$10,000 under \$25,000	681,308	10,802,709	4,291,939	6,528,011
\$25,000 under \$50,000	271,501	9,471,886	5,174,470	4,302,218
\$50,000 under \$100,000	123,296	8,532,023	4,960,468	3,571,605
\$100,000 under \$200,000	69,689	9,893,349	7,433,943	2,458,668
\$200,000 under \$500,000	33,997	10,432,874	8,064,362	2,368,492
\$500,000 under \$1,000,000	10,362	7,252,283	6,288,249	967,915
\$1,000,000 under \$2,500,000	3,600	5,601,474	4,970,303	631,178
\$2,500,000 under \$5,000,000	744	2,588,730	2,308,786	279,953
\$5,000,000 or more	431	6,086,258	5,894,765	201,890
<b>Educational services</b>				
Total	823,153	12,991,265	8,500,048	4,501,012
Under \$2,500	332,623	353,507	688,047	-331,631
\$2,500 under \$5,000	144,850	508,262	406,255	103,354
\$5,000 under \$10,000	116,270	808,527	470,384	338,144
\$10,000 under \$25,000	132,943	2,188,311	1,076,610	1,117,538
\$25,000 under \$50,000	45,755	1,564,361	722,911	841,450
\$50,000 under \$100,000	29,373	1,982,628	968,841	1,013,787
\$100,000 under \$200,000	12,488	1,692,479	1,255,107	437,371
\$200,000 under \$500,000	7,391	2,241,561	1,522,215	719,346
\$500,000 under \$1,000,000	1,105	746,809	610,681	136,128
\$1,000,000 under \$2,500,000	258	386,299	310,739	75,557
\$2,500,000 under \$5,000,000	84	352,337	325,009	27,008
\$5,000,000 or more	* 13	* 166,185	* 143,249	* 22,959

Footnotes at end of table.

**Table 3. Number of Returns, Business Receipts, Business Deductions, Net Income, by Industry and Size of Business Receipts, Tax Year 2016—Continued**

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

Industry and size of business receipts	Item			
	Number of returns [1]	Business receipts, total [1,2]	Business deductions, total [1,2]	Net Income less deficit
	(1)	(2)	(3)	(4)
<b>Health care and social assistance</b>				
Total	2,127,345	121,086,389	72,717,227	48,449,274
Under \$2,500	376,004	362,745	1,565,101	-1,196,629
\$2,500 under \$5,000	226,401	833,702	774,593	59,367
\$5,000 under \$10,000	328,881	2,364,597	1,054,402	1,310,194
\$10,000 under \$25,000	567,583	8,686,718	3,236,005	5,450,899
\$25,000 under \$50,000	256,595	9,040,733	4,642,427	4,403,723
\$50,000 under \$100,000	173,136	12,401,858	5,692,321	6,720,443
\$100,000 under \$200,000	76,828	10,405,917	4,650,948	5,752,553
\$200,000 under \$500,000	74,363	23,823,804	13,115,886	10,709,955
\$500,000 under \$1,000,000	32,557	22,463,976	14,276,547	8,187,541
\$1,000,000 under \$2,500,000	12,946	18,334,500	12,905,965	5,437,255
\$2,500,000 under \$5,000,000	1,434	4,831,210	3,899,223	934,895
\$5,000,000 or more	618	7,536,628	6,903,809	679,078
<b>Arts, entertainment, and recreation</b>				
Total	1,642,700	44,086,606	32,845,985	11,325,415
Under \$2,500	625,184	552,062	1,962,514	-1,405,315
\$2,500 under \$5,000	250,640	894,466	946,487	-51,998
\$5,000 under \$10,000	223,964	1,566,168	1,295,412	286,236
\$10,000 under \$25,000	267,493	4,280,845	2,792,611	1,487,634
\$25,000 under \$50,000	130,490	4,595,238	2,679,470	1,918,567
\$50,000 under \$100,000	87,490	6,012,265	3,863,395	2,149,518
\$100,000 under \$200,000	32,091	4,477,772	3,030,006	1,445,323
\$200,000 under \$500,000	17,371	5,202,708	3,751,344	1,453,674
\$500,000 under \$1,000,000	3,925	2,887,703	2,154,008	736,869
\$1,000,000 under \$2,500,000	2,650	4,003,821	2,941,353	1,071,951
\$2,500,000 under \$5,000,000	974	3,280,459	2,549,531	740,678
\$5,000,000 or more	428	6,333,099	4,879,854	1,492,277
<b>Accommodation, food services, and drinking places</b>				
Total	487,183	62,821,629	59,298,992	3,583,469
Under \$2,500	112,491	104,594	692,281	-588,715
\$2,500 under \$5,000	55,243	201,418	438,748	-237,321
\$5,000 under \$10,000	63,573	473,801	416,831	61,066
\$10,000 under \$25,000	67,471	1,073,071	734,056	339,018
\$25,000 under \$50,000	37,384	1,263,677	1,026,940	236,564
\$50,000 under \$100,000	44,179	3,144,356	2,645,655	498,400
\$100,000 under \$200,000	34,030	5,191,610	4,744,876	461,757
\$200,000 under \$500,000	46,388	13,958,263	12,890,646	1,069,132
\$500,000 under \$1,000,000	16,078	10,937,443	10,241,573	696,863
\$1,000,000 under \$2,500,000	8,258	12,376,067	11,838,244	546,880
\$2,500,000 under \$5,000,000	1,321	4,710,076	4,511,488	208,798
\$5,000,000 or more	767	9,387,252	9,117,652	291,027

Footnotes at end of table.



**Table 3. Number of Returns, Business Receipts, Business Deductions, Net Income, by Industry and Size of Business Receipts, Tax Year 2016—Continued**

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

Industry and size of business receipts	Item			
	Number of returns [1]	Business receipts, total [1,2]	Business deductions, total [1,2]	Net Income less deficit
	(1)	(2)	(3)	(4)
<b>Other services</b>				
Total	3,449,846	111,682,880	81,145,244	30,626,814
Under \$2,500	678,881	662,446	2,917,491	-2,252,760
\$2,500 under \$5,000	359,262	1,320,220	1,431,009	-106,716
\$5,000 under \$10,000	495,785	3,632,457	1,991,283	1,643,119
\$10,000 under \$25,000	991,825	15,794,935	7,184,967	8,610,497
\$25,000 under \$50,000	472,221	16,550,180	9,091,701	7,536,997
\$50,000 under \$100,000	261,558	17,942,777	11,548,269	6,395,593
\$100,000 under \$200,000	108,412	15,249,712	11,611,603	3,640,645
\$200,000 under \$500,000	58,775	17,855,821	14,742,600	3,113,441
\$500,000 under \$1,000,000	17,830	12,095,363	10,749,598	1,344,911
\$1,000,000 under \$2,500,000	4,468	6,446,143	6,040,258	404,707
\$2,500,000 under \$5,000,000	623	2,108,031	1,947,532	160,501
\$5,000,000 or more	207	2,024,795	1,888,934	135,878
<b>Unclassified establishments</b>				
Total	419,638	4,541,298	2,909,948	1,629,828
Under \$2,500	184,900	171,528	634,356	-462,739
\$2,500 under \$5,000	59,793	220,877	118,371	102,506
\$5,000 under \$10,000	70,936	539,627	200,023	339,603
\$10,000 under \$25,000	59,022	876,422	271,871	604,550
\$25,000 under \$50,000	36,901	1,262,471	708,225	554,233
\$50,000 under \$100,000	5,778	362,425	175,701	186,724
\$100,000 under \$200,000	574	86,093	63,289	22,803
\$200,000 under \$500,000	1,430	469,505	264,732	203,175
\$500,000 under \$1,000,000	89	56,953	* 25,596	31,357
\$1,000,000 under \$2,500,000	176	324,833	* 305,241	* 19,592
\$2,500,000 under \$5,000,000	* 32	* 107,835	* 90,392	* 17,443
\$5,000,000 or more	* 8	* 62,729	* 52,151	* 10,579

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

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

[1] Includes returns with Schedule C-EZ attached. Schedule C-EZ was filed for certain small businesses, i.e., those with net incomes, business expenses of \$5,000 or less, used the cash accounting method, with no inventories or employees, and with no deduction for a home office business and no allowable "passive" activity losses. Because only a total is reported for business deductions on Schedule C-EZ, the totals shown in the statistics exceed the sum of the detailed deductions; the detailed deductions are, therefore, slightly understated.

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

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

SOURCE: IRS, Statistics of Income Division, Sole Proprietorship Returns 2016, September 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).<sup>1</sup> 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,<sup>2</sup> 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.<sup>3</sup>

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.

<sup>1</sup> 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.

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

<sup>3</sup> 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)
<b>All industries</b>	<b>3,715,187</b>	<b>3,763,117</b>	<b>1.3</b>	<b>27,093,015</b>	<b>28,163,819</b>	<b>4.0</b>
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)
<b>Number of partnerships, total</b>	<b>3,763,117</b>	<b>29,643</b>	<b>0.8</b>	<b>28,163,819</b>	<b>10,206,445</b>	<b>36.2</b>
<b>Number of partners per partnership:</b>						
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.<sup>4</sup>

### 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)
<b>All industries</b>	<b>27,366,266,830</b>	<b>28,950,043,266</b>	<b>5.8</b>	<b>7,144,498,577</b>	<b>6,979,300,922</b>	<b>-2.3</b>	<b>780,504,367</b>	<b>791,703,641</b>	<b>1.4</b>
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.

<sup>4</sup> 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).<sup>5</sup> 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)
<b>Total net income (loss) [1]</b>	<b>780,504,367</b>	<b>791,703,641</b>	<b>11,199,274</b>	<b>1.4</b>
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.

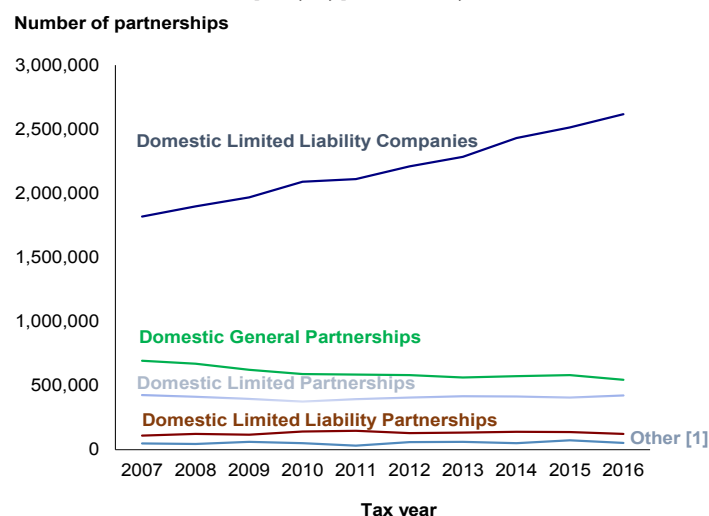
### Limited liability companies made up the majority of all partnerships for the 15<sup>th</sup> consecutive year

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.<sup>6</sup>

Limited liability companies (LLCs) accounted for 69.6 percent of all partnerships, surpassing all other entity types for the 15<sup>th</sup> 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



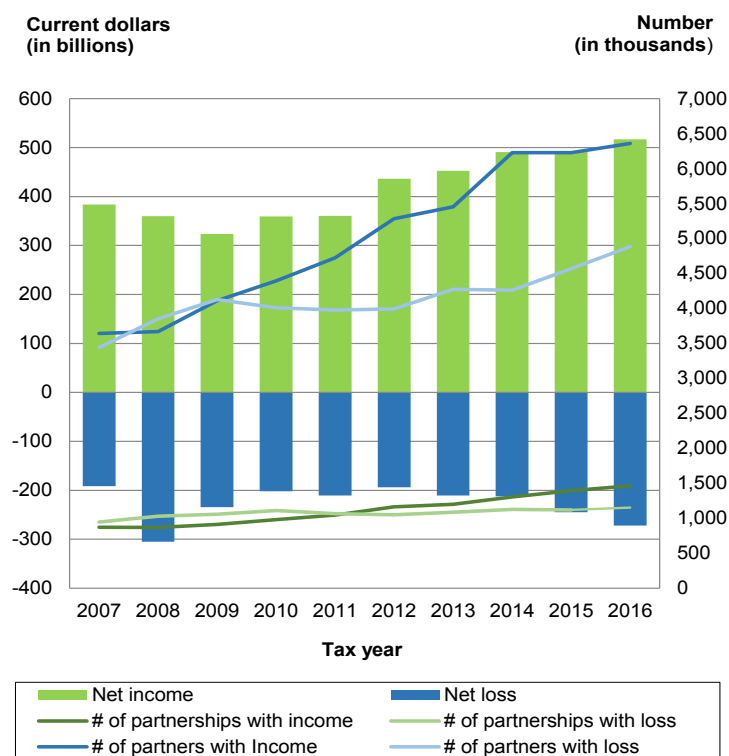
[1] Data for "other" partnerships include foreign partnerships, as well as partnerships which checked the "other" box, Form 1065, Schedule B, line 1, Type of Entity, or did not check a box.

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

<sup>5</sup> See the Explanation of Selected Terms section for the definition of total receipts and business receipts.

<sup>6</sup> 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**


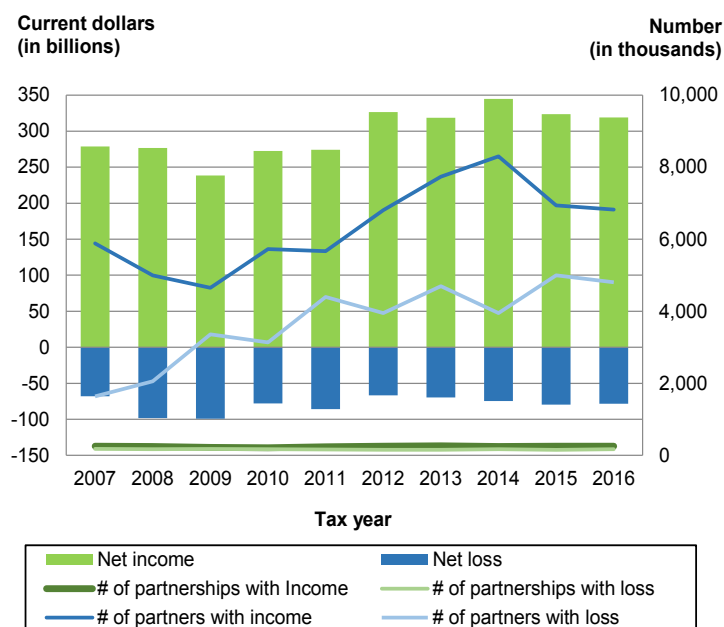
NOTE: For the full tabular data represented in this figure, see Tables 9a, 9b, and 9c.  
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2018.

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.

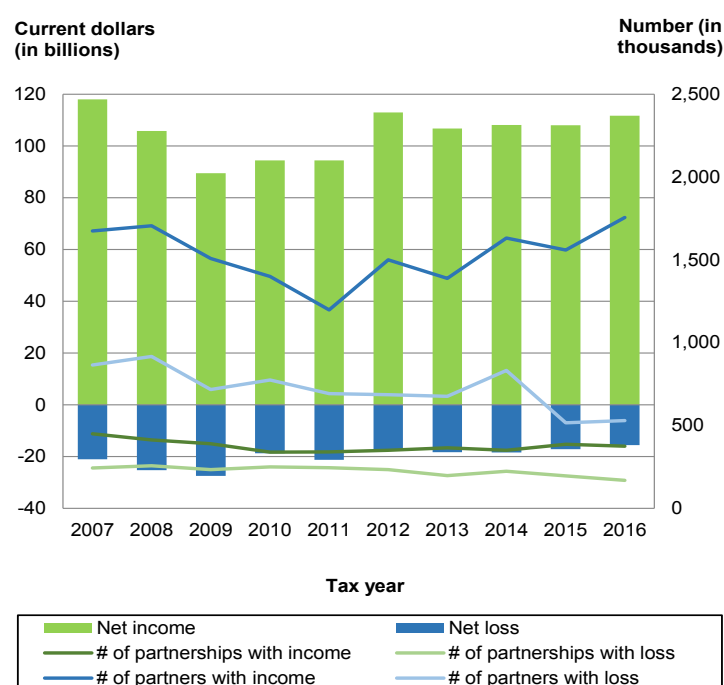
Prior to 2002, domestic general partnerships were consistently the most common type of partnership and have ranked second since that time. This type of partnership accounted for 14.5 percent (0.5 million) of all partnerships for Tax Year 2016. The number of general partnerships declined 6.3 percent in 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

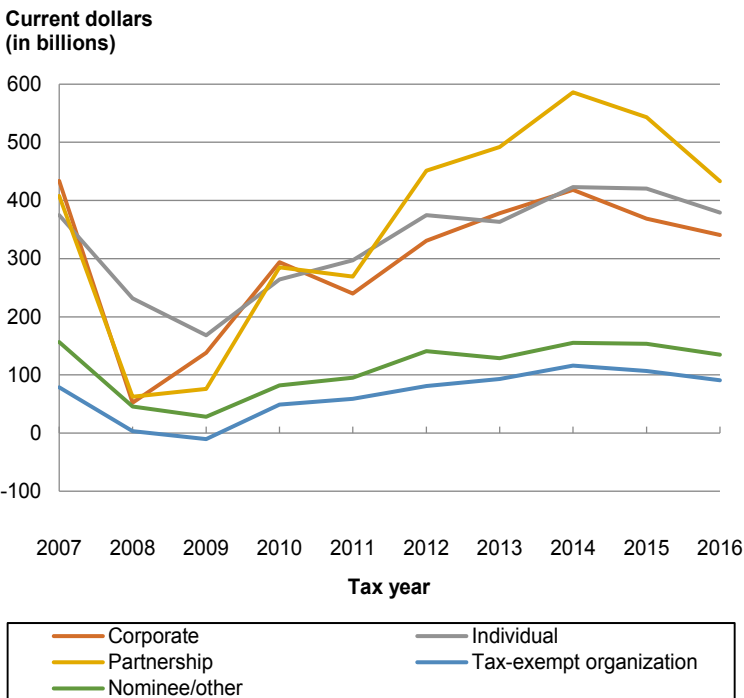
Schedule M-3, *Net Income (Loss) Reconciliation for Certain Partnerships*, provides more detail on the differences between financial accounting net income and tax accounting net income. Differences are divided into two categories: temporary and permanent. Temporary (or timing) differences between book 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)
<b>All industries</b>	<b>54,409,785</b>	<b>57,012,446</b>	<b>2,602,661</b>	<b>4.8</b>
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)
<b>All industries</b>	<b>0.90</b>	<b>0.13</b>	<b>0.23</b>	<b>0.24</b>
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.<sup>7</sup>

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;

<sup>7</sup> 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](http://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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*Ron DeCarlo and Nina Shumofsky are economists with the Partnership and Special Projects Section. This article was prepared under the direction of Joseph Koshansky, Chief.*



**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)
<b>Number of partnerships</b>	<b>3,763,117</b>	<b>136,664</b>	<b>41,670</b>	<b>5,681</b>	<b>169,887</b>	<b>71,201</b>
<b>Number of partners</b>	<b>28,163,819</b>	<b>460,571</b>	<b>2,233,049</b>	<b>76,971</b>	<b>550,182</b>	<b>870,241</b>
<b>Total assets</b>	<b>28,950,043,266</b>	<b>253,783,163</b>	<b>563,148,057</b>	<b>443,437,021</b>	<b>256,783,338</b>	<b>899,687,492</b>
<b>Income and deductions from a trade or business:</b>						
<b>Total income</b>	<b>5,336,204,494</b>	<b>46,783,818</b>	<b>134,565,141</b>	<b>166,444,110</b>	<b>329,225,799</b>	<b>872,170,344</b>
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
<b>Total deductions</b>	<b>4,981,480,470</b>	<b>48,411,886</b>	<b>129,064,110</b>	<b>181,694,185</b>	<b>311,953,317</b>	<b>835,179,942</b>
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
<b>Ordinary business income (loss)</b>	<b>354,724,024</b>	<b>-1,628,068</b>	<b>5,501,031</b>	<b>-15,250,076</b>	<b>17,272,482</b>	<b>36,990,403</b>
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
<b>Portfolio income (loss) distributed directly to partners</b>	<b>850,020,729</b>	<b>3,115,870</b>	<b>7,279,885</b>	<b>676,789</b>	<b>1,419,937</b>	<b>30,422,353</b>
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
<b>Net rental real estate income (loss)</b>	<b>57,012,446</b>	<b>843,576</b>	<b>58,056</b>	<b>2,165</b>	<b>109,858</b>	<b>64,707</b>
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
<b>Other net rental income (loss)</b>	<b>4,082,134</b>	<b>109,004</b>	<b>300,792</b>	<b>-1,072,799</b>	<b>-2,512</b>	<b>393,111</b>
<b>Total net income (loss) [3]</b>	<b>791,703,641</b>	<b>960,935</b>	<b>9,795,470</b>	<b>-15,847,084</b>	<b>17,828,319</b>	<b>63,159,547</b>
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)
<b>Number of partnerships</b>	<b>70,145</b>	<b>175,034</b>	<b>41,533</b>	<b>43,659</b>	<b>379,300</b>	<b>1,877,734</b>	<b>241,030</b>
<b>Number of partners</b>	<b>721,889</b>	<b>816,043</b>	<b>2,489,276</b>	<b>177,481</b>	<b>7,403,812</b>	<b>8,366,525</b>	<b>839,758</b>
<b>Total assets</b>	<b>343,039,521</b>	<b>223,551,474</b>	<b>791,594,193</b>	<b>974,975,659</b>	<b>15,638,617,618</b>	<b>6,571,438,695</b>	<b>336,801,255</b>
<b>Income and deductions from a trade or business:</b>							
<b>Total income</b>	<b>631,839,382</b>	<b>556,735,528</b>	<b>213,401,615</b>	<b>397,763,291</b>	<b>407,405,214</b>	<b>222,288,194</b>	<b>503,244,986</b>
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
<b>Total deductions</b>	<b>617,339,602</b>	<b>547,111,552</b>	<b>207,003,531</b>	<b>341,582,395</b>	<b>342,584,378</b>	<b>210,015,573</b>	<b>407,370,450</b>
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]
<b>Ordinary business income (loss)</b>	<b>14,499,780</b>	<b>9,623,976</b>	<b>6,398,084</b>	<b>56,180,896</b>	<b>64,820,835</b>	<b>12,272,621</b>	<b>95,874,536</b>
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
<b>Portfolio income (loss) distributed directly to partners</b>	<b>3,110,420</b>	<b>1,810,012</b>	<b>2,889,885</b>	<b>9,732,962</b>	<b>657,256,181</b>	<b>69,952,271</b>	<b>6,700,149</b>
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
<b>Net rental real estate income (loss)</b>	<b>27,965</b>	<b>282,439</b>	<b>313,693</b>	<b>-43,388</b>	<b>-3,736,242</b>	<b>58,893,320</b>	<b>-116,958</b>
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
<b>Other net rental income (loss)</b>	<b>65,147</b>	<b>-83,996</b>	<b>-45,835</b>	<b>599,828</b>	<b>931,304</b>	<b>2,955,259</b>	<b>-231,318</b>
<b>Total net income (loss) [3]</b>	<b>15,902,840</b>	<b>10,386,900</b>	<b>7,782,804</b>	<b>63,931,176</b>	<b>341,148,016</b>	<b>106,020,967</b>	<b>97,751,051</b>
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)
<b>Number of partnerships</b>	<b>28,730</b>	<b>60,570</b>	<b>82,907</b>	<b>47,927</b>	<b>157,820</b>	<b>131,625</b>	<b>0</b>
<b>Number of partners</b>	<b>1,378,134</b>	<b>157,177</b>	<b>374,186</b>	<b>246,527</b>	<b>572,092</b>	<b>429,905</b>	<b>0</b>
<b>Total assets</b>	<b>855,951,198</b>	<b>106,296,602</b>	<b>202,004,574</b>	<b>152,201,179</b>	<b>297,400,059</b>	<b>39,332,167</b>	<b>0</b>
<b>Income and deductions from a trade or business:</b>							
<b>Total income</b>	<b>43,927,258</b>	<b>126,569,944</b>	<b>313,270,142</b>	<b>90,505,374</b>	<b>233,617,850</b>	<b>46,446,504</b>	<b>0</b>
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
<b>Total deductions</b>	<b>40,059,621</b>	<b>121,537,642</b>	<b>278,803,471</b>	<b>88,249,086</b>	<b>228,381,881</b>	<b>45,137,848</b>	<b>0</b>
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
<b>Ordinary business income (loss)</b>	<b>3,867,637</b>	<b>5,032,303</b>	<b>34,466,671</b>	<b>2,256,288</b>	<b>5,235,969</b>	<b>1,308,656</b>	<b>0</b>
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
<b>Portfolio income (loss) distributed directly to partners</b>	<b>43,918,271</b>	<b>1,601,441</b>	<b>2,420,904</b>	<b>4,583,638</b>	<b>2,590,139</b>	<b>539,623</b>	<b>0</b>
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
<b>Net rental real estate income (loss)</b>	<b>1,728</b>	<b>67,235</b>	<b>68,535</b>	<b>13,503</b>	<b>109,869</b>	<b>52,387</b>	<b>0</b>
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
<b>Other net rental income (loss)</b>	<b>-27,724</b>	<b>-264</b>	<b>104,188</b>	<b>15,221</b>	<b>3,661</b>	<b>69,067</b>	<b>0</b>
<b>Total net income (loss) [3]</b>	<b>20,927,026</b>	<b>5,895,670</b>	<b>35,249,946</b>	<b>2,967,217</b>	<b>6,123,090</b>	<b>1,719,751</b>	<b>0</b>
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)
<b>Number of partnerships</b>	<b>2,196,281</b>	<b>69,697</b>	<b>23,133</b>	<b>1,255</b>	<b>107,775</b>	<b>31,715</b>
<b>Number of partners</b>	<b>17,467,261</b>	<b>201,410</b>	<b>1,561,087</b>	<b>5,068</b>	<b>349,444</b>	<b>206,162</b>
<b>Total assets</b>	<b>20,735,011,929</b>	<b>117,813,991</b>	<b>324,838,758</b>	<b>212,310,208</b>	<b>155,463,775</b>	<b>601,432,602</b>
<b>Income and deductions from a trade or business:</b>						
<b>Total income</b>	<b>4,111,242,492</b>	<b>36,694,597</b>	<b>94,541,284</b>	<b>113,213,175</b>	<b>273,172,490</b>	<b>627,490,035</b>
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
<b>Total deductions</b>	<b>3,462,296,196</b>	<b>27,094,330</b>	<b>66,584,238</b>	<b>104,485,128</b>	<b>248,946,300</b>	<b>567,319,037</b>
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
<b>Ordinary business income (loss)</b>	<b>648,946,295</b>	<b>9,600,268</b>	<b>27,957,045</b>	<b>8,728,048</b>	<b>24,226,190</b>	<b>60,170,998</b>
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]
<b>Portfolio income (loss) distributed directly to partners</b>	<b>753,170,769</b>	<b>2,087,762</b>	<b>5,898,367</b>	<b>510,033</b>	<b>862,253</b>	<b>27,025,346</b>
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
<b>Net rental real estate income (loss)</b>	<b>156,463,672</b>	<b>663,063</b>	<b>128,982</b>	<b>* 177</b>	<b>488,211</b>	<b>55,247</b>
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
<b>Other net rental income (loss)</b>	<b>6,511,466</b>	<b>65,826</b>	<b>298,923</b>	<b>* 32,717</b>	<b>[d]</b>	<b>106,098</b>
<b>Total net income [3]</b>	<b>1,173,305,066</b>	<b>11,703,633</b>	<b>31,810,903</b>	<b>8,963,269</b>	<b>25,046,980</b>	<b>84,993,176</b>

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)
<b>Number of partnerships</b>	<b>34,630</b>	<b>103,495</b>	<b>23,096</b>	<b>17,336</b>	<b>239,168</b>	<b>1,095,366</b>	<b>149,998</b>
<b>Number of partners</b>	<b>503,481</b>	<b>445,697</b>	<b>1,044,330</b>	<b>59,788</b>	<b>5,719,673</b>	<b>4,589,896</b>	<b>514,538</b>
<b>Total assets</b>	<b>265,341,704</b>	<b>151,011,329</b>	<b>427,914,778</b>	<b>680,139,759</b>	<b>12,507,928,423</b>	<b>3,880,255,219</b>	<b>241,594,424</b>
<b>Income and deductions from a trade or business:</b>							
<b>Total income</b>	<b>520,457,397</b>	<b>392,228,283</b>	<b>141,563,311</b>	<b>322,692,008</b>	<b>343,934,862</b>	<b>168,500,736</b>	<b>443,163,990</b>
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
<b>Total deductions</b>	<b>496,722,256</b>	<b>375,316,027</b>	<b>120,487,338</b>	<b>249,967,043</b>	<b>219,453,328</b>	<b>123,274,623</b>	<b>332,829,416</b>
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
<b>Ordinary business income (loss)</b>	<b>23,735,140</b>	<b>16,912,255</b>	<b>21,075,973</b>	<b>72,724,965</b>	<b>124,481,534</b>	<b>45,226,113</b>	<b>110,334,574</b>
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]
<b>Portfolio income (loss) distributed directly to partners</b>	<b>2,013,575</b>	<b>1,357,591</b>	<b>1,528,207</b>	<b>7,513,118</b>	<b>608,406,543</b>	<b>55,784,518</b>	<b>3,931,359</b>
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
<b>Net rental real estate income (loss)</b>	<b>99,174</b>	<b>215,418</b>	<b>284,087</b>	<b>7,415</b>	<b>2,042,409</b>	<b>151,112,616</b>	<b>101,439</b>
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
<b>Other net rental income (loss)</b>	<b>56,660</b>	<b>27,452</b>	<b>49,789</b>	<b>522,366</b>	<b>1,181,424</b>	<b>3,934,283</b>	<b>13,766</b>
<b>Total net income [3]</b>	<b>25,003,506</b>	<b>17,600,264</b>	<b>21,873,241</b>	<b>79,527,630</b>	<b>401,216,725</b>	<b>228,918,930</b>	<b>112,416,262</b>

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)
<b>Number of partnerships</b>	<b>12,951</b>	<b>46,979</b>	<b>49,302</b>	<b>35,206</b>	<b>84,303</b>	<b>70,875</b>	<b>0</b>
<b>Number of partners</b>	<b>1,230,309</b>	<b>108,069</b>	<b>240,392</b>	<b>102,436</b>	<b>298,685</b>	<b>286,796</b>	<b>0</b>
<b>Total assets</b>	<b>682,973,584</b>	<b>75,355,803</b>	<b>137,804,525</b>	<b>87,888,801</b>	<b>164,001,322</b>	<b>20,942,922</b>	<b>0</b>
<b>Income and deductions from a trade or business:</b>							
<b>Total income</b>	<b>33,750,556</b>	<b>101,106,748</b>	<b>239,435,857</b>	<b>62,472,822</b>	<b>163,201,878</b>	<b>33,622,463</b>	<b>0</b>
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
<b>Total deductions</b>	<b>16,898,325</b>	<b>91,216,324</b>	<b>195,835,133</b>	<b>51,606,854</b>	<b>145,176,596</b>	<b>29,083,902</b>	<b>0</b>
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
<b>Ordinary business income (loss)</b>	<b>16,852,231</b>	<b>9,890,425</b>	<b>43,600,724</b>	<b>10,865,968</b>	<b>18,025,282</b>	<b>4,538,562</b>	<b>0</b>
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
<b>Portfolio income (loss) distributed directly to partners</b>	<b>27,491,913</b>	<b>1,312,756</b>	<b>964,105</b>	<b>4,004,696</b>	<b>1,948,600</b>	<b>530,026</b>	<b>0</b>
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
<b>Net rental real estate income (loss)</b>	<b>724,797</b>	<b>66,306</b>	<b>167,750</b>	<b>44,245</b>	<b>217,332</b>	<b>* 45,003</b>	<b>0</b>
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
<b>Other net rental income (loss)</b>	<b>68,662</b>	<b>71,469</b>	<b>15,393</b>	<b>[d]</b>	<b>[d]</b>	<b>[d]</b>	<b>0</b>
<b>Total net income [3]</b>	<b>34,025,050</b>	<b>10,535,752</b>	<b>44,372,724</b>	<b>11,427,913</b>	<b>18,941,313</b>	<b>4,927,798</b>	<b>0</b>

\* 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)
<b>Number of partnerships [1]</b>	<b>3,763,117</b>	<b>136,664</b>	<b>41,670</b>	<b>5,681</b>	<b>169,887</b>	<b>71,201</b>
<b>Number of partners</b>	<b>28,163,819</b>	<b>460,571</b>	<b>2,233,049</b>	<b>76,971</b>	<b>550,182</b>	<b>870,241</b>
<b>Partnerships reporting balance sheet data:</b>						
<b>Number of partnerships</b>	<b>2,842,119</b>	<b>109,837</b>	<b>31,577</b>	<b>5,170</b>	<b>102,882</b>	<b>42,840</b>
<b>Number of partners</b>	<b>25,146,808</b>	<b>375,357</b>	<b>2,111,943</b>	<b>75,920</b>	<b>398,213</b>	<b>734,468</b>
<b>Total assets</b>	<b>28,950,043,266</b>	<b>253,783,163</b>	<b>563,148,057</b>	<b>443,437,021</b>	<b>256,783,338</b>	<b>899,687,492</b>
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
<b>Total liabilities and capital</b>	<b>28,950,043,266</b>	<b>253,783,163</b>	<b>563,148,057</b>	<b>443,437,021</b>	<b>256,783,338</b>	<b>899,687,492</b>
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)
<b>Number of partnerships [1]</b>	<b>70,145</b>	<b>175,034</b>	<b>41,533</b>	<b>43,659</b>	<b>379,300</b>	<b>1,877,734</b>	<b>241,030</b>
<b>Number of partners</b>	<b>721,889</b>	<b>816,043</b>	<b>2,489,276</b>	<b>177,481</b>	<b>7,403,812</b>	<b>8,366,525</b>	<b>839,758</b>
<b>Partnerships reporting balance sheet data:</b>							
<b>Number of partnerships</b>	<b>50,597</b>	<b>109,165</b>	<b>26,914</b>	<b>20,527</b>	<b>312,163</b>	<b>1,546,493</b>	<b>142,164</b>
<b>Number of partners</b>	<b>665,211</b>	<b>649,347</b>	<b>2,447,210</b>	<b>108,556</b>	<b>7,036,457</b>	<b>7,232,206</b>	<b>607,584</b>
<b>Total assets</b>	<b>343,039,521</b>	<b>223,551,474</b>	<b>791,594,193</b>	<b>974,975,659</b>	<b>15,638,617,618</b>	<b>6,571,438,695</b>	<b>336,801,255</b>
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
<b>Total liabilities and capital</b>	<b>343,039,521</b>	<b>223,551,474</b>	<b>791,594,193</b>	<b>974,975,659</b>	<b>15,638,617,618</b>	<b>6,571,438,695</b>	<b>336,801,255</b>
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)
<b>Number of partnerships [1]</b>	<b>28,730</b>	<b>60,570</b>	<b>82,907</b>	<b>47,927</b>	<b>157,820</b>	<b>131,625</b>	<b>0</b>
<b>Number of partners</b>	<b>1,378,134</b>	<b>157,177</b>	<b>374,186</b>	<b>246,527</b>	<b>572,092</b>	<b>429,905</b>	<b>0</b>
<b>Partnerships reporting balance sheet data:</b>							
<b>Number of partnerships</b>	<b>18,948</b>	<b>41,736</b>	<b>67,172</b>	<b>32,810</b>	<b>113,097</b>	<b>68,027</b>	<b>0</b>
<b>Number of partners</b>	<b>1,332,479</b>	<b>118,331</b>	<b>324,967</b>	<b>202,282</b>	<b>433,368</b>	<b>292,910</b>	<b>0</b>
<b>Total assets</b>	<b>855,951,198</b>	<b>106,296,602</b>	<b>202,004,574</b>	<b>152,201,179</b>	<b>297,400,059</b>	<b>39,332,167</b>	<b>0</b>
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
<b>Total liabilities and capital</b>	<b>855,951,198</b>	<b>106,296,602</b>	<b>202,004,574</b>	<b>152,201,179</b>	<b>297,400,059</b>	<b>39,332,167</b>	<b>0</b>
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)
<b>Number of partnerships</b>	<b>1,644,351</b>	<b>16,039</b>	<b>1,957</b>	<b>80</b>	<b>9,053</b>	<b>633</b>
<b>Number of partners</b>	<b>10,225,966</b>	<b>66,492</b>	<b>11,147</b>	<b>643</b>	<b>28,991</b>	<b>19,194</b>
<b>Gross rents from real estate</b>	<b>588,953,597</b>	<b>1,336,030</b>	<b>320,300</b>	<b>* 2,318</b>	<b>989,619</b>	<b>79,071</b>
<b>Real estate rental expenses, total</b>	<b>534,007,594</b>	<b>682,262</b>	<b>226,324</b>	<b>* 2,104</b>	<b>1,168,807</b>	<b>34,588</b>
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
<b>Net gain (loss) from sales of business property</b>	<b>3,306,223</b>	<b>[d]</b>	<b>0</b>	<b>0</b>	<b>[d]</b>	<b>0</b>
<b>Net income (loss) from partnerships, estates, and trusts</b>	<b>-1,239,781</b>	<b>[d]</b>	<b>-35,920</b>	<b>1,951</b>	<b>[d]</b>	<b>20,224</b>
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
<b>Net rental real estate income (loss)</b>	<b>57,012,446</b>	<b>843,576</b>	<b>58,056</b>	<b>2,165</b>	<b>109,858</b>	<b>64,707</b>
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)
<b>Number of partnerships</b>	<b>2,111</b>	<b>2,225</b>	<b>413</b>	<b>134</b>	<b>66,134</b>	<b>1,519,075</b>	<b>7,188</b>
<b>Number of partners</b>	<b>152,727</b>	<b>9,305</b>	<b>892,546</b>	<b>1,282</b>	<b>1,823,573</b>	<b>6,871,989</b>	<b>45,623</b>
<b>Gross rents from real estate</b>	<b>253,222</b>	<b>522,600</b>	<b>187,184</b>	<b>150,729</b>	<b>3,607,574</b>	<b>577,403,726</b>	<b>269,642</b>
<b>Real estate rental expenses, total</b>	<b>277,300</b>	<b>247,551</b>	<b>92,449</b>	<b>188,901</b>	<b>4,346,234</b>	<b>522,912,017</b>	<b>195,329</b>
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
<b>Net gain (loss) from sales of business property</b>	<b>[d]</b>	<b>0</b>	<b>[d]</b>	<b>0</b>	<b>59,829</b>	<b>2,817,153</b>	<b>[d]</b>
<b>Net income (loss) from partnerships, estates, and trusts</b>	<b>[d]</b>	<b>7,390</b>	<b>[d]</b>	<b>-5,216</b>	<b>-3,057,411</b>	<b>1,584,457</b>	<b>[d]</b>
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
<b>Net rental real estate income (loss)</b>	<b>27,965</b>	<b>282,439</b>	<b>313,693</b>	<b>-43,388</b>	<b>-3,736,242</b>	<b>58,893,320</b>	<b>-116,958</b>
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)
<b>Number of partnerships</b>	<b>10,174</b>	<b>2,174</b>	<b>1,491</b>	<b>1,112</b>	<b>3,776</b>	<b>582</b>	<b>0</b>
<b>Number of partners</b>	<b>52,861</b>	<b>5,583</b>	<b>12,858</b>	<b>96,328</b>	<b>19,716</b>	<b>115,110</b>	<b>0</b>
<b>Gross rents from real estate</b>	<b>700,128</b>	<b>163,423</b>	<b>1,786,841</b>	<b>159,771</b>	<b>954,561</b>	<b>* 66,860</b>	<b>0</b>
<b>Real estate rental expenses, total</b>	<b>756,661</b>	<b>95,790</b>	<b>1,806,673</b>	<b>156,150</b>	<b>785,804</b>	<b>* 32,652</b>	<b>0</b>
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
<b>Net gain (loss) from sales of business property</b>	<b>* 3,823</b>	<b>0</b>	<b>* 84,997</b>	<b>0</b>	<b>* -8,724</b>	<b>[d]</b>	<b>0</b>
<b>Net income (loss) from partnerships, estates, and trusts</b>	<b>54,439</b>	<b>* -399</b>	<b>3,370</b>	<b>9,882</b>	<b>-50,164</b>	<b>[d]</b>	<b>0</b>
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
<b>Net rental real estate income (loss)</b>	<b>1,728</b>	<b>67,235</b>	<b>68,535</b>	<b>13,503</b>	<b>109,869</b>	<b>52,387</b>	<b>0</b>
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)
<b>Number of partnerships [1]</b>	<b>3,763,117</b>	<b>136,664</b>	<b>41,670</b>	<b>5,681</b>	<b>169,887</b>	<b>71,201</b>
<b>Number of partners [1]</b>	<b>28,163,819</b>	<b>460,571</b>	<b>2,233,049</b>	<b>76,971</b>	<b>550,182</b>	<b>870,241</b>
<b>Total income (loss)</b>	<b>1,744,491,942</b>	<b>8,276,835</b>	<b>26,721,525</b>	<b>-12,991,360</b>	<b>22,321,592</b>	<b>72,778,403</b>
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
<b>Total deductions</b>	<b>364,686,916</b>	<b>2,620,012</b>	<b>25,947,054</b>	<b>3,362,143</b>	<b>2,277,206</b>	<b>7,301,500</b>
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
<b>Total income (loss) minus total deductions</b>	<b>1,379,805,026</b>	<b>5,656,823</b>	<b>774,471</b>	<b>-16,353,502</b>	<b>20,044,385</b>	<b>65,476,903</b>
<b>Income (loss) allocated to partners by type of partner [2]:</b>						
<b>All partners</b>	<b>1,376,952,866</b>	<b>5,522,026</b>	<b>[d]</b>	<b>-16,353,502</b>	<b>[d]</b>	<b>[d]</b>
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)
<b>Number of partnerships [1]</b>	<b>70,145</b>	<b>175,034</b>	<b>41,533</b>	<b>43,659</b>	<b>379,300</b>	<b>1,877,734</b>	<b>241,030</b>
<b>Number of partners [1]</b>	<b>721,889</b>	<b>816,043</b>	<b>2,489,276</b>	<b>177,481</b>	<b>7,403,812</b>	<b>8,366,525</b>	<b>839,758</b>
<b>Total income (loss)</b>	<b>24,078,666</b>	<b>15,600,577</b>	<b>18,558,946</b>	<b>72,055,252</b>	<b>959,981,346</b>	<b>270,980,884</b>	<b>128,985,036</b>
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
<b>Total deductions</b>	<b>3,181,631</b>	<b>1,748,152</b>	<b>5,347,645</b>	<b>9,975,861</b>	<b>238,290,836</b>	<b>32,907,318</b>	<b>11,169,772</b>
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
<b>Total income (loss) minus total deductions</b>	<b>20,897,036</b>	<b>13,852,425</b>	<b>13,211,301</b>	<b>62,079,392</b>	<b>721,690,510</b>	<b>238,073,565</b>	<b>117,815,265</b>
<b>Income (loss) allocated to partners by type of partner [2]:</b>							
<b>All partners</b>	<b>[d]</b>	<b>[d]</b>	<b>[d]</b>	<b>[d]</b>	<b>717,491,671</b>	<b>237,907,288</b>	<b>[d]</b>
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)
<b>Number of partnerships [1]</b>	<b>28,730</b>	<b>60,570</b>	<b>82,907</b>	<b>47,927</b>	<b>157,820</b>	<b>131,625</b>	<b>0</b>
<b>Number of partners [1]</b>	<b>1,378,134</b>	<b>157,177</b>	<b>374,186</b>	<b>246,527</b>	<b>572,092</b>	<b>429,905</b>	<b>0</b>
<b>Total income (loss)</b>	<b>56,692,779</b>	<b>8,170,939</b>	<b>49,641,613</b>	<b>8,119,526</b>	<b>11,809,424</b>	<b>2,709,958</b>	<b>0</b>
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
<b>Total deductions</b>	<b>10,391,449</b>	<b>1,523,564</b>	<b>4,664,430</b>	<b>1,594,079</b>	<b>1,777,103</b>	<b>607,162</b>	<b>0</b>
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
<b>Total income (loss) minus total deductions</b>	<b>46,301,330</b>	<b>6,647,374</b>	<b>44,977,183</b>	<b>6,525,447</b>	<b>10,032,321</b>	<b>2,102,796</b>	<b>0</b>
<b>Income (loss) allocated to partners by type of partner [2]:</b>							
<b>All partners</b>	<b>46,312,595</b>	<b>6,612,013</b>	<b>44,977,183</b>	[d]	[d]	<b>1,866,056</b>	<b>0</b>
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)
<b>Number of LLCs</b>	<b>2,617,484</b>	<b>76,681</b>	<b>13,792</b>	<b>5,336</b>	<b>127,417</b>
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)
<b>Number of LLCs</b>	<b>54,395</b>	<b>51,327</b>	<b>113,915</b>	<b>27,940</b>	<b>29,700</b>
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)
<b>Number of LLCs</b>	<b>214,662</b>	<b>1,361,722</b>	<b>156,935</b>	<b>18,869</b>	<b>44,869</b>
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)
<b>Number of LLCs</b>	<b>67,581</b>	<b>36,255</b>	<b>113,673</b>	<b>102,414</b>	<b>0</b>
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)
<b>Total receipts</b>	<b>6,979,300,922</b>	<b>55,123,465</b>	<b>160,200,552</b>	<b>170,105,337</b>	<b>332,867,505</b>
<b>Income from trade or business</b>	<b>5,336,204,494</b>	<b>46,783,818</b>	<b>134,565,141</b>	<b>166,444,110</b>	<b>329,225,799</b>
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
<b>Portfolio income</b>	<b>1,004,087,172</b>	<b>3,294,038</b>	<b>8,142,472</b>	<b>847,356</b>	<b>1,836,819</b>
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)
<b>Total receipts</b>	<b>906,701,517</b>	<b>639,745,196</b>	<b>561,961,405</b>	<b>226,629,344</b>	<b>413,013,887</b>
<b>Income from trade or business</b>	<b>872,170,344</b>	<b>631,839,382</b>	<b>556,735,528</b>	<b>213,401,615</b>	<b>397,763,291</b>
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
<b>Portfolio income</b>	<b>30,596,271</b>	<b>3,464,864</b>	<b>2,316,756</b>	<b>2,991,265</b>	<b>10,635,975</b>
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)
<b>Total receipts</b>	<b>1,469,534,032</b>	<b>594,392,348</b>	<b>513,251,917</b>	<b>103,665,538</b>	<b>128,681,198</b>
<b>Income from trade or business</b>	<b>407,405,214</b>	<b>222,288,194</b>	<b>503,244,986</b>	<b>43,927,258</b>	<b>126,569,944</b>
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]
<b>Portfolio income</b>	<b>788,995,072</b>	<b>80,213,331</b>	<b>7,502,053</b>	<b>51,381,653</b>	<b>1,613,886</b>
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)
<b>Total receipts</b>	<b>320,088,362</b>	<b>95,562,037</b>	<b>240,461,532</b>	<b>47,315,749</b>	<b>0</b>
<b>Income from trade or business</b>	<b>313,270,142</b>	<b>90,505,374</b>	<b>233,617,850</b>	<b>46,446,504</b>	<b>0</b>
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
<b>Portfolio income</b>	<b>2,464,386</b>	<b>4,616,447</b>	<b>2,627,589</b>	<b>546,939</b>	<b>0</b>
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)
<b>2015</b>									
<b>All industries</b>	<b>582,338</b>	<b>2,075,203</b>	<b>90,821,808</b>	<b>406,996</b>	<b>11,939,490</b>	<b>244,012,235</b>	<b>2,515,073</b>	<b>10,797,553</b>	<b>247,542,021</b>
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)
<b>2016</b>									
<b>All industries</b>	<b>545,501</b>	<b>2,285,140</b>	<b>96,061,953</b>	<b>423,406</b>	<b>11,625,626</b>	<b>240,660,009</b>	<b>2,617,484</b>	<b>11,243,080</b>	<b>244,573,577</b>
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)
<b>Number of partnerships</b>	<b>3,763,117</b>	<b>136,664</b>	<b>41,670</b>	<b>5,681</b>	<b>169,887</b>	<b>71,201</b>
<b>Number of partners</b>	<b>28,163,819</b>	<b>460,571</b>	<b>2,233,049</b>	<b>76,971</b>	<b>550,182</b>	<b>870,241</b>
<b>Total assets</b>	<b>28,950,043,266</b>	<b>253,783,163</b>	<b>563,148,057</b>	<b>443,437,021</b>	<b>256,783,338</b>	<b>899,687,492</b>
<b>Income and deductions from a trade or business:</b>						
<b>Total income</b>	<b>5,336,204,494</b>	<b>46,783,818</b>	<b>134,565,141</b>	<b>166,444,110</b>	<b>329,225,799</b>	<b>872,170,344</b>
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
<b>Total deductions</b>	<b>4,981,480,470</b>	<b>48,411,886</b>	<b>129,064,110</b>	<b>181,694,185</b>	<b>311,953,317</b>	<b>835,179,942</b>
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
<b>Ordinary business income (loss)</b>	<b>354,724,024</b>	<b>-1,628,068</b>	<b>5,501,031</b>	<b>-15,250,076</b>	<b>17,272,482</b>	<b>36,990,403</b>
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
<b>Portfolio income (loss) distributed directly to partners</b>	<b>850,020,729</b>	<b>3,115,870</b>	<b>7,279,885</b>	<b>676,789</b>	<b>1,419,937</b>	<b>30,422,353</b>
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
<b>Net rental real estate income (loss)</b>	<b>57,012,446</b>	<b>843,576</b>	<b>58,056</b>	<b>2,165</b>	<b>109,858</b>	<b>64,707</b>
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
<b>Other net rental income (loss)</b>	<b>4,082,134</b>	<b>109,004</b>	<b>300,792</b>	<b>*1,072,799</b>	<b>-2,512</b>	<b>393,111</b>
<b>Total net income (loss) [3]</b>	<b>791,703,641</b>	<b>960,935</b>	<b>9,795,470</b>	<b>-15,847,084</b>	<b>17,828,319</b>	<b>63,159,547</b>
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)
<b>Number of partnerships</b>	<b>70,145</b>	<b>175,034</b>	<b>41,533</b>	<b>43,659</b>	<b>379,300</b>	<b>1,877,734</b>	<b>241,030</b>
<b>Number of partners</b>	<b>721,889</b>	<b>816,043</b>	<b>2,489,276</b>	<b>177,481</b>	<b>7,403,812</b>	<b>8,366,525</b>	<b>839,758</b>
<b>Total assets</b>	<b>343,039,521</b>	<b>223,551,474</b>	<b>791,594,193</b>	<b>974,975,659</b>	<b>15,638,617,618</b>	<b>6,571,438,695</b>	<b>336,801,255</b>
<b>Income and deductions from a trade or business:</b>							
<b>Total income</b>	<b>631,839,382</b>	<b>556,735,528</b>	<b>213,401,615</b>	<b>397,763,291</b>	<b>407,405,214</b>	<b>222,288,194</b>	<b>503,244,986</b>
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
<b>Total deductions</b>	<b>617,339,602</b>	<b>547,111,552</b>	<b>207,003,531</b>	<b>341,582,395</b>	<b>342,584,378</b>	<b>210,015,573</b>	<b>407,370,450</b>
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]
<b>Ordinary business income (loss)</b>	<b>14,499,780</b>	<b>9,623,976</b>	<b>6,398,084</b>	<b>56,180,896</b>	<b>64,820,835</b>	<b>12,272,621</b>	<b>95,874,536</b>
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
<b>Portfolio income (loss) distributed directly to partners</b>	<b>3,110,420</b>	<b>1,810,012</b>	<b>2,889,885</b>	<b>9,732,962</b>	<b>657,256,181</b>	<b>69,952,271</b>	<b>6,700,149</b>
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
<b>Net rental real estate income (loss)</b>	<b>27,965</b>	<b>282,439</b>	<b>313,693</b>	<b>-43,388</b>	<b>-3,736,242</b>	<b>58,893,320</b>	<b>-116,958</b>
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
<b>Other net rental income (loss)</b>	<b>65,147</b>	<b>-83,996</b>	<b>-45,835</b>	<b>599,828</b>	<b>931,304</b>	<b>2,955,259</b>	<b>-231,318</b>
<b>Total net income (loss) [3]</b>	<b>15,902,840</b>	<b>10,386,900</b>	<b>7,782,804</b>	<b>63,931,176</b>	<b>341,148,016</b>	<b>106,020,967</b>	<b>97,751,051</b>
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)
<b>Number of partnerships</b>	<b>28,730</b>	<b>60,570</b>	<b>82,907</b>	<b>47,927</b>	<b>157,820</b>	<b>131,625</b>	<b>0</b>
<b>Number of partners</b>	<b>1,378,134</b>	<b>157,177</b>	<b>374,186</b>	<b>246,527</b>	<b>572,092</b>	<b>429,905</b>	<b>0</b>
<b>Total assets</b>	<b>855,951,198</b>	<b>106,296,602</b>	<b>202,004,574</b>	<b>152,201,179</b>	<b>297,400,059</b>	<b>39,332,167</b>	<b>0</b>
<b>Income and deductions from a trade or business:</b>							
<b>Total income</b>	<b>43,927,258</b>	<b>126,569,944</b>	<b>313,270,142</b>	<b>90,505,374</b>	<b>233,617,850</b>	<b>46,446,504</b>	<b>0</b>
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
<b>Total deductions</b>	<b>40,059,621</b>	<b>121,537,642</b>	<b>278,803,471</b>	<b>88,249,086</b>	<b>228,381,881</b>	<b>45,137,848</b>	<b>0</b>
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
<b>Ordinary business income (loss)</b>	<b>3,867,637</b>	<b>5,032,303</b>	<b>34,466,671</b>	<b>2,256,288</b>	<b>5,235,969</b>	<b>1,308,656</b>	<b>0</b>
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
<b>Portfolio income (loss) distributed directly to partners</b>	<b>43,918,271</b>	<b>1,601,441</b>	<b>2,420,904</b>	<b>4,583,638</b>	<b>2,590,139</b>	<b>539,623</b>	<b>0</b>
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
<b>Net rental real estate income (loss)</b>	<b>1,728</b>	<b>67,235</b>	<b>68,535</b>	<b>13,503</b>	<b>109,869</b>	<b>52,387</b>	<b>0</b>
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
<b>Other net rental income (loss)</b>	<b>-27,724</b>	<b>-264</b>	<b>104,188</b>	<b>15,221</b>	<b>3,661</b>	<b>*69,067</b>	<b>0</b>
<b>Total net income (loss) [3]</b>	<b>20,927,026</b>	<b>5,895,670</b>	<b>35,249,946</b>	<b>2,967,217</b>	<b>6,123,090</b>	<b>1,719,751</b>	<b>0</b>
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.



# SOI BULLETIN

A QUARTERLY STATISTICS OF INCOME REPORT | Volume 39 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 Website (<https://www.irs.gov/statistics/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](mailto: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*

### 2010–2016 Gifts

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by Jessica Holland

An article presenting data on gifts made during Calendar Years 2010–2016 is now available on SOI's Tax Stats Web page. This article highlights information about the donors, donees, and types and amounts of gifts given during this period. Donors tended to skew slightly female and approximately half were married. Most donees were relatives of the donor, specifically their children or grandchildren. Gifts of cash, stocks and bonds, and real estate made up a majority of the value of the gifts given every year. Almost all gift taxes owned in any given year were paid by donors with total gifts of more than \$1 million for that year. Donors file Form 709, *United States Gift (and Generation-Skipping Transfer) Tax Return*, to report gifts made during a given calendar year.



Statistics of Income

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# 2010–2016 Gifts

By Jessica Holland

The Federal gift tax is one of three components of the Federal transfer-tax system, along with the estate tax and the generation-skipping transfer tax. The gift tax is levied on gifts given during a donor's life, while the estate tax applies to property transferred at death. The generation-skipping transfer tax ensures that wealth is taxed at each successive generation.

Donors file the Form 709, *United States Gift (and Generation-Skipping Transfer) Tax Return*, to report gifts made during a given calendar year and the recipients of these gifts (referred to as donees). The data presented here are for gifts reported on forms collected by the Internal Revenue Service's (IRS's) Statistics of Income (SOI) Division between 2011 and 2017. Most Form 709 returns (generally, approximately 90 percent) filed during a given year (e.g., 2017) reported gifts made in the prior year (e.g., 2016). The remaining returns filed report gifts made in preceding years (e.g., 2015 and earlier) and include

those filed by fiscal-year filers, taxpayers who were granted extensions to file their gift returns, and taxpayers who filed late returns. These prior-year returns are considered a proxy for gifts that will be reported in subsequent filing periods. Table 1 presents a summary of the donors, donees, and amounts and types of gifts given during this period.

## Background Information

Congress added the gift tax to the United States transfer-tax system in 1924; the gift tax rates were the same as the estate tax rates and included provisions for both an annual exclusion and a lifetime exemption.<sup>1</sup> The annual exclusion is the amount that a donor can give to any single recipient during a given year without incurring tax (the number of donees is unlimited); the lifetime exemption is the total amount the donor can transfer tax-free over the course of his or her lifetime.

**Table 1. Gift Tax at a Glance: Highlights of Selected Items for Returns Filed for Calendar Years 2010–2016**

[All figures are estimates based on samples]

Calendar Year	Number of returns filed, by tax status			Number of donees				
	Total	Nontaxable	Taxable	Total	Individuals	Charities	Trusts [1]	Other groups and organizations
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2010	219,544	208,562	10,982	889,027	814,978	12,293	n.a.	61,756
2011	258,393	255,924	2,469	990,872	897,881	11,362	n.a.	81,629
2012	369,324	363,686	5,638	1,360,207	1,190,669	38,689	126,877	3,972
2013	265,274	262,297	2,977	982,376	883,909	33,215	63,467	1,785
2014	238,935	236,420	2,515	839,740	762,324	33,980	43,238	198
2015	242,585	239,866	2,719	875,874	794,487	34,166	46,626	595
2016	239,785	236,909	2,876	859,538	772,890	46,765	38,936	947
Calendar Year	Amount of gifts given, by transfer method [2, 3]			Amount of gifts given, by type of asset [2, 3]				
	All gifts	Direct	Trusts	All gifts	Cash	Stocks, bonds, and other funds	Real estate and mortgages	Other assets [4]
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
2010	44,929,516,713	28,722,158,912	16,207,357,801	44,929,516,709	20,722,480,724	9,585,254,538	7,369,165,271	7,252,616,176
2011	120,757,062,693	66,772,702,154	53,984,360,538	120,757,062,692	54,826,742,106	31,028,392,117	16,856,597,522	18,045,330,947
2012	385,796,133,513	152,194,752,261	233,601,381,252	385,796,133,514	121,075,401,884	110,630,804,988	93,520,185,828	60,569,740,813
2013	102,968,809,649	50,228,451,453	52,740,358,196	102,968,809,649	36,788,778,413	23,661,798,691	26,443,951,749	16,074,280,795
2014	62,996,137,989	43,009,574,850	19,986,563,140	62,996,137,990	26,343,285,864	17,768,331,666	12,759,212,344	6,125,308,116
2015	69,366,654,601	46,355,791,987	23,010,862,614	69,366,654,599	30,776,617,810	16,752,619,810	13,244,599,628	8,592,817,351
2016	74,723,919,642	50,282,552,523	24,441,367,119	74,723,919,641	30,598,784,449	20,418,878,147	13,997,351,997	9,708,905,048

n.a.—Not available.

[1] Trusts were included with other groups and organizations until the Calendar Year 2012 study.

[2] All money amounts are presented in 2016 dollars.

[3] Transfer method and asset type totals may differ slightly due to rounding.

[4] Other assets include partnerships, noncorporate business assets, farm assets, and other or unknown assets.

SOURCE: IRS, Statistics of Income Division, Form 709 Edited Study, September 2019.

<sup>1</sup> For more detailed information regarding the history of the transfer-tax system in the United States, see Luckey, John R. "A History of Federal Estate, Gift, and Generation-Skipping Taxes," April 9, 2003, Congressional Research Service, Library of Congress.



Congress has made various changes to gift tax law over time. All gifts to charitable organizations, regardless of amount, were made tax exempt in 1932. The estate tax marital deduction, which allows one spouse to gift an amount of up to half of his or her adjusted gross estate (excluding community property) to the other spouse without incurring estate tax, was introduced in the Revenue Act of 1948. This Act also introduced the split-gift rule, which allows the donor spouse to treat one-half of a gift as having been made by the nondonor spouse for tax purposes. The split-gift rule effectively doubled the amount a married donor could give to any single recipient without incurring tax liability.

Congress significantly restructured the gift tax laws with the Tax Reform Act (TRA) of 1976. The TRA unified the system of estate and gift taxation with a single, graduated tax rate schedule on all gifts, and created the unified credit (later renamed the applicable credit beginning with returns filed for 2012 gifts), which replaced both the estate tax exclusion and the lifetime gift exemption. It also introduced the generation-skipping tax.

### Recent Tax Law Changes<sup>2</sup>

Between 1976 and 2000, there were only minor changes to the gift tax laws, although the annual exclusion amount was indexed to inflation as a result of the Taxpayer Protection Act of 1997. The Economic Growth and Tax Relief Reconciliation Act (EGTRRA) of 2001 enacted several changes to estate and gift taxes. The EGTRRA increased the lifetime exemption from estate and generation-skipping taxes from \$675,000 in 2001 to \$3.5 million for 2009, \$1 million of which could be applied to gifts made during the donor's life. It also reduced the maximum tax rate from 55 percent to 35 percent for 2010.

In 2011, following passage of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act, the lifetime exemption on gifts increased from \$1 million to \$5 million, the unified credit increased from \$330,800 to \$1,730,800 (these were indexed to inflation for future years), and the gift and estate exemption amounts were reunified. This large increase in the exemption amount has most likely contributed to a decrease in the number of taxable Form 709 returns filed since 2011 (see Table 1). The increased lifetime exemption and unified credit were originally scheduled to sunset at the end of 2012 and return to 2010 levels. However, with the passage of the American Taxpayer Relief Act of 2012, the increased amounts were made permanent, although the maximum tax rate was increased to 40 percent for 2013. Figure A shows the annual statutory limits for gifts for each year presented in this article.

In 2014, after the U.S. Supreme Court ruling in *United States v. Windsor* was issued, the IRS began recognizing same-sex marriages, which allowed additional taxpayers the opportunity to transfer gifts tax-free to their spouses, and to split gifts to other donees.

**Figure A**

### Statutory Exclusion and Credit Amounts, Calendar Years 2010–2016

Calendar year of gifts	Annual exclusion	Applicable credit	Lifetime exemption
	(1)	(2)	(3)
2010	\$13,000	\$330,800	\$1,000,000
2011	\$13,000	\$1,730,800	\$5,000,000
2012	\$13,000	\$1,772,800	\$5,120,000
2013	\$14,000	\$2,045,800	\$5,250,000
2014	\$14,000	\$2,081,800	\$5,340,000
2015	\$14,000	\$2,117,800	\$5,430,000
2016	\$14,000	\$2,125,800	\$5,450,000

NOTE: Amounts can be found in the *Instructions for Form 709* publication for each specific year.  
SOURCE: IRS, Statistics of Income Division, Form 709 Edited Study, September 2019.

### 2010–2016 Gifts<sup>3</sup>

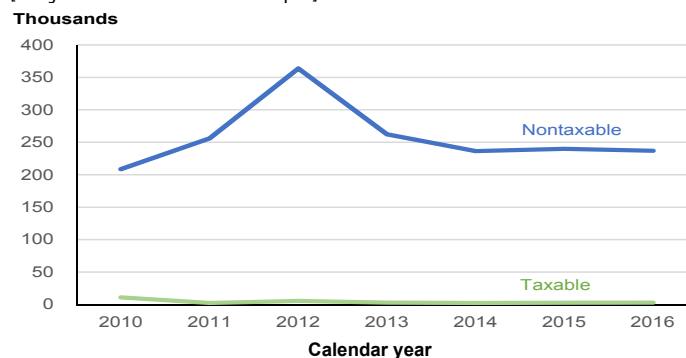
#### Number of Returns Filed

Historically, the number of gift tax returns filed each year has remained relatively constant. With the exception of returns filed for gifts given in 2012, roughly 240,000 returns were filed, on average, each year. The number of returns filed for gifts given in 2012 spiked by 43 percent and then decreased by 28 percent to more a “normal” number of returns the next year. This was most likely due to the increased lifetime exemption beginning in 2011, which meant donors who had previously used up their lifetime exemption now had additional exemption amounts to give against. An expected reversion back to 2010 exemption amounts after 2012 may also have encouraged donors to gift more presently, rather than waiting until future years. The increased lifetime exemption amount also meant the number of taxable returns decreased significantly, from about 4 to 5 percent of all returns filed prior to 2011, to just over 1.1 percent, on average, of all returns filed from 2011 through 2016, as shown in Figure B.<sup>4</sup>

**Figure B**

### Number of Gift Tax Returns Filed, by Tax Status, for Calendar Years 2010–2016

[All figures are estimates based on samples]



SOURCE: IRS, Statistics of Income Division, Form 709 Edited Study, September 2019.

<sup>2</sup> Tax law changes are highlighted in the “What’s New” section of the *Instructions for Form 709* publication accompanying the annual Form 709. Prior-year instructions can be found here: <https://www.irs.gov/forms-pubs-prior-search?search=709&=Search>.

<sup>3</sup> Data presented in constant dollars (unless otherwise noted) were adjusted based on the chain-type price index for Gross Domestic Product as reported by the U.S. Department of Commerce, Bureau of Economic Analysis, as of July 26, 2019. Calendar Year 2016 is used as the base year for these adjustments. The indexes are available at: <https://www.bea.gov/national/xls/gdpleveland.xlsx>.

<sup>4</sup> Tax liability is calculated after making adjustments for annual exclusions, marital deductions, and charitable deductions.

### Composition of Donors

Women have consistently accounted for a slight majority of donors, averaging 52.6 percent over the period covered in this article (Figure C). This may be partially explained by the fact that women generally have longer life expectancies than men. This is also consistent with SOI's findings that, while fewer women have significant personal wealth, they tend to carry less debt and have more wealth in liquid assets, such as stocks and bonds, compared to men.<sup>5</sup> Thus, they may be more able to give large gifts during their lifetime—though these gaps narrow as filers of both genders age. Women have also consistently filed more gift tax returns classified as taxable than men, accounting for 57.4 percent of the taxable gift returns filed over the 7 years included in this article.

Returns filed by married donors<sup>6</sup> fluctuated from a low of 44.7 percent for gifts given in 2012 (possibly due to more single and widowed donors opting to use the newly expanded lifetime exemption amount) to a high of 54.0 percent in 2010, for an average of 49.6 percent from 2010 through 2016 (Figure D). Widowed spouses may use their deceased spouse's unused exemption to increase their personal lifetime exemption amount.

### Relationship of Donors to Donees

Donors tend to give gifts to individuals, and by and large, the recipients (or donees) are their relatives (Figure E). On average, for returns filed for 2010 through 2016, nearly 83 percent of all donees were relatives of the donor, and 72.7 percent of these were children or grandchildren of the donor. The number

of charities and charitable trusts receiving gifts has trended upward for the past several years, from a low of 1.1 percent of all donees for gifts given in 2011 to 5.4 percent of donees for gifts given in 2016.

While the number of donors and donees has fluctuated each year, the average number of donees per return has remained relatively consistent but has decreased slightly over time, from an average of 4.0 donees per return for gifts given in 2010, down to 3.6 for gifts given in 2015 and 2016 (see Table 1).

### Charitable Giving

While individual taxpayers generally account for charitable contributions on their Form 1040, *U.S. Individual Income Tax Return, Schedule A*, taxpayers filing Form 709 are also required to report charitable gifts on their Form 709. Since gifts to charities are nontaxable, donors are not required to file a Form 709 if they only give gifts to charities in any given year; however, if a donor is otherwise required to file to report noncharitable gifts (such as giving gifts valued at more than the annual exclusion amount), the donor must also report all charitable gifts.

The data on charitable contributions collected as part of the Form 709 Study provide an interesting look at the donors who file Form 709, as shown in Figure F. While those giving to charities are only a fraction of the total donors and account for, on average, only 4.6 percent of all charitable contributions deducted on Form 1040, *Schedule A, Itemized Deductions*, in a given year,<sup>7</sup> they tend to donate vastly larger amounts than the average 1040 filer.

### Figure C

#### Number of Donors, by Gender and Tax Status, for Calendar Years 2010–2016

[All figures are estimates based on samples]

Tax status	2010		2011		2012		2013		2014		2015		2016	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
<b>Total</b>	<b>116,636</b>	<b>102,908</b>	<b>140,758</b>	<b>117,635</b>	<b>194,273</b>	<b>175,051</b>	<b>136,013</b>	<b>129,261</b>	<b>125,411</b>	<b>113,524</b>	<b>126,282</b>	<b>116,303</b>	<b>125,497</b>	<b>114,288</b>
Nontaxable	109,996	98,566	139,299	116,625	191,166	172,520	134,417	127,880	123,995	112,425	124,764	115,102	123,915	112,994
Taxable	6,640	4,342	1,459	1,010	3,107	2,531	1,596	1,381	1,416	1,099	1,518	1,201	1,582	1,294

SOURCE: IRS, Statistics of Income Division, Form 709 Edited Study, September 2019.

### Figure D

#### Number of Donors, by Marital Status and Tax Status, for Calendar Years 2010–2016

[All figures are estimates based on samples]

Tax status	2010		2011		2012		2013		2014		2015		2016	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Not married	Married	Not married	Married	Not married	Married	Not married	Married	Not married	Married	Not married	Married	Not married	Married
<b>Total</b>	<b>100,926</b>	<b>118,618</b>	<b>132,677</b>	<b>125,716</b>	<b>204,414</b>	<b>164,910</b>	<b>130,045</b>	<b>135,229</b>	<b>119,609</b>	<b>119,326</b>	<b>121,334</b>	<b>121,251</b>	<b>115,469</b>	<b>124,316</b>
Nontaxable	94,361	114,201	131,048	124,876	200,941	162,745	128,228	134,069	117,974	118,446	119,518	120,348	113,586	123,323
Taxable	6,565	4,417	1,629	840	3,473	2,165	1,817	1,160	1,635	880	1,816	903	1,883	993

SOURCE: IRS, Statistics of Income Division, Form 709 Edited Study, September 2019.

<sup>5</sup> Barnes, Aaron. "Personal Wealth, 2013," *SOI Bulletin*, Winter 2019, available at: <https://www.irs.gov/pub/irs-soi/2013-winter/wealth.pdf>.

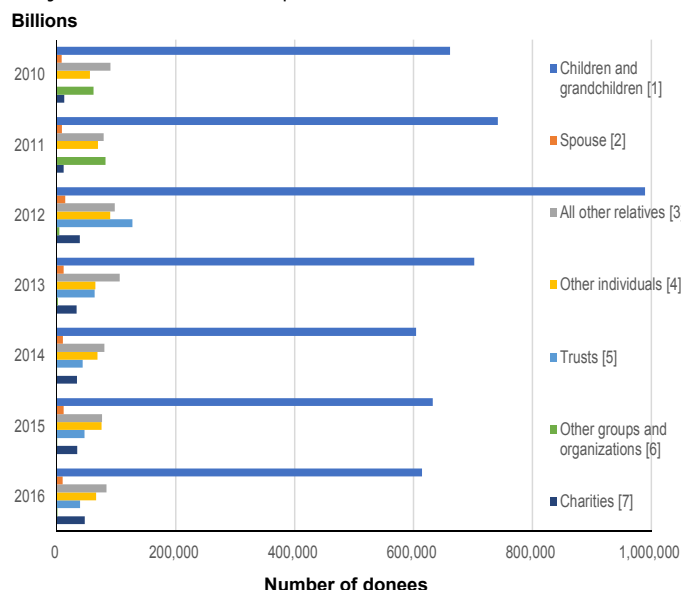
<sup>6</sup> Married donors may have been married for all or part of the tax year. Both spouses are required to file a Form 709 if they choose to split gifts. For this study, a filer is considered married if they chose to split gifts with their spouse. While married filers are not required to split gifts, this is used as a proxy for marital status.

<sup>7</sup> Calculated based on data published in Publication 4801, *Statistics of Income Individual Income Tax Returns: Line Item Estimates*, available at: <https://www.irs.gov/statistics/soi-tax-stats-individual-income-tax-returns-line-item-estimates>.



**Figure E**  
**Relationship of Donees to Donors, Calendar Years 2010–2016**

[All figures are estimates based on samples]



[1] Includes children by blood, adopted children, foster children, stepchildren, and sons- and daughters-in-law. "Grandchildren" includes grandchildren by blood, adopted grandchildren, foster grandchildren, step-grandchildren, grandchildren-in-law, and great-grandchildren.

[2] Includes current and divorced spouses and life partners.

[3] Includes: parents (by blood, adopted parents, foster parents, stepparents, parents-in-law, and grandparents); siblings (by blood, adopted siblings, foster siblings, stepsiblings, half-siblings, and siblings-in-law); nieces and nephews; grandnieces and grandnephews; cousins (including second cousins, etc.); and aunts and uncles.

[4] Includes donees not related to the donor (e.g., friends) or other individuals whose relationship was not specified.

[5] Trusts were included with "Other groups and organizations" prior to the 2012 study.

[6] Includes groups of donees, noncharitable organizations, and unknown donees.

[7] Includes donees identified as individual charitable organizations and trusts established for charitable giving.

SOURCE: IRS, Statistics of Income Division, Form 709 Edited Study, September 2019.

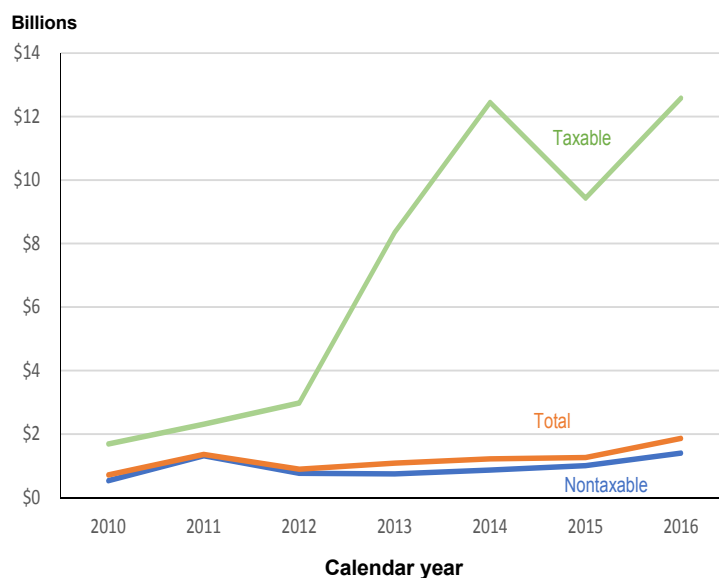
According to SOI's Publication 4801, *2016 Individual Income Tax Returns: Line Item Estimates*, the average (mean) charitable contribution deduction for all taxpayers reporting on this line of Schedule A was about \$6,330, while the average (mean) charitable amount reported on Form 709 was more than \$1.8 million for 2016.<sup>8</sup> Donors with taxable gifts are more likely than nontaxable filers to have charitable deductions and tend to give larger gifts to charities.

### Gift Transfers

Gifts are transferred to recipients one of two ways: either directly, meaning the donee has immediate access to the gift, or through a trust, where the gift is held under the control of a trustee. This is common, for example, when the donor deems the recipient as too young or too irresponsible to receive a large gift. The grantor(s) transfer assets into the trust, which then owns them and is operated according to the trust agreement, disbursing some form of income or assets to one or more recipients.

**Figure F**  
**Average (Mean) Amount of Charitable Gifts per Donor Filing Form 709, by Tax Status, Calendar Years 2010–2016**

[All figures are estimates based on samples]



NOTE: All money amounts are presented in 2016 dollars.

SOURCE: IRS, Statistics of Income Division, Form 709 Edited Study, September 2019.

Usually, the recipient receives a percentage of the annual interest generated by the assets. For the purpose of this article, if a gift is given through a trust but the beneficiary is identified as an individual, the individual is considered the donee and the trust is identified as the transfer method; if the beneficiary cannot be identified, the trust is named as the donee.

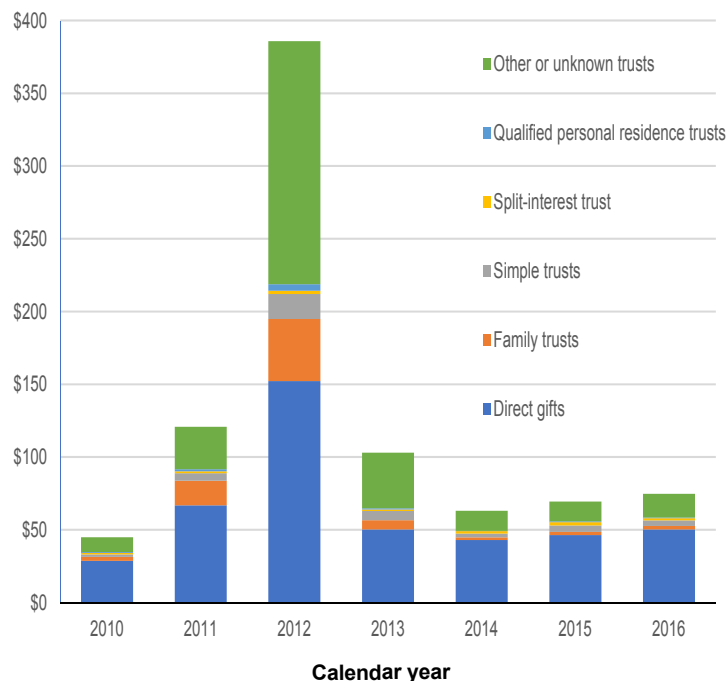
Historically, direct gifts have been the more common transfer method (Figure G, Table 1). However, in 2012 and 2013, more gifts were given through trusts; in 2012, more than 60 percent of the gifts were through trusts. It is possible that tax law changes encouraged donors to give differently. Many taxpayers may have assumed the lifetime exemption would revert from \$5.12 million at the end of 2012 back to \$1 million for 2013 gifts, which may have encouraged them to give presently through trust vehicles in order to protect their current wealth from future taxation. For example, donors gave nearly 200 percent more through Qualified Personal Residence Trusts in 2012 (\$4.6 billion) compared to 2011 (\$1.5 billion). This may also have been to lock in low home values after the recession ended while only using a small portion of the newly expanded lifetime exemption. Overall, donors increased direct gifts by 128 percent from 2011 (\$66.8 billion) to 2012 (\$152.2 billion) while gifts via trusts increased 333 percent from \$54.0 billion in 2011 to \$233.6 billion in 2012. Direct gifts in 2011 accounted for 55.3 percent of the total amount given, while in 2012 they accounted for 39.4 percent. Averaged over the 7 years covered

<sup>8</sup> This is partially because Form 709 donors are most likely richer than the average taxpayer filing a Form 1040, *Schedule A*. For example, for taxpayers filing Form 1040 with an adjusted gross income of \$10 million or more, the average charitable deduction for 2016 was \$2.8 million.

**Figure G**  
**Amount of Gifts Given by Type of Transfer, Calendar Years 2010–2016**

[All figures are estimates based on samples]

Billions



NOTE: All money amounts are presented in 2016 dollars.

SOURCE: IRS, Statistics of Income Division, Form 709 Edited Study, September 2019.

in this article, direct gifts accounted for 50.8 percent of the total amount given.

### Types of Gifts Given

In every year from 2010 through 2016, cash gifts made up the majority of the amount of gifts given, averaging 40.8 percent over these years (Figure H). The second-most popular category of gifts was consistently stocks, bonds, and other assorted funds. These range from closely-held corporate stock as part of a family-limited partnership, to public stocks or funds traded on the market, to municipal bonds. Real estate was the third-most common type of gift given in every year from 2010 through 2016. Assets classified as real estate commonly include residential and commercial property, undeveloped land, real estate investment companies, and real estate mutual funds such as REITs.

These three categories of assets accounted for 82.0 percent of the amount of all gifts (from a low of 79.2 percent in 2013 to a high of 87.9 percent in 2014) over the 7 years included in this article. About half of the remaining assets were comprised of noncorporate business assets (4.7 percent average for gifts given from 2010 through 2016 gifts) and farm assets (3.6 percent average).

### Transfers via Trusts

The Form 709 study tracks several types of trusts; the most commonly used types are defined below:

- Simple trusts are required to distribute all their income annually and have no charitable beneficiaries. These are also called FBO ("For Benefit Of") trusts.
- Family trusts are those identified as benefitting immediate family members of the donor.
- Split-interest trusts provide benefit to a charity and a private interest. Depending on how it is set up, one entity receives the interest income and the other receives the remainder.
- Qualified Personal Residence trusts transfer ownership of a residence into a trust to remove the value of the property, and all future appreciation, from one's taxable estate.
- Other trusts tracked by the SOI study include education trusts, insurance trusts, Qualified Terminable Interest Property (QTIP) trusts, generation-skipping trusts, and grantor-retained (revocable) trusts. If the trust type cannot be easily identified it is categorized as unknown/unspecified.

### Who Pays the Gift Tax?

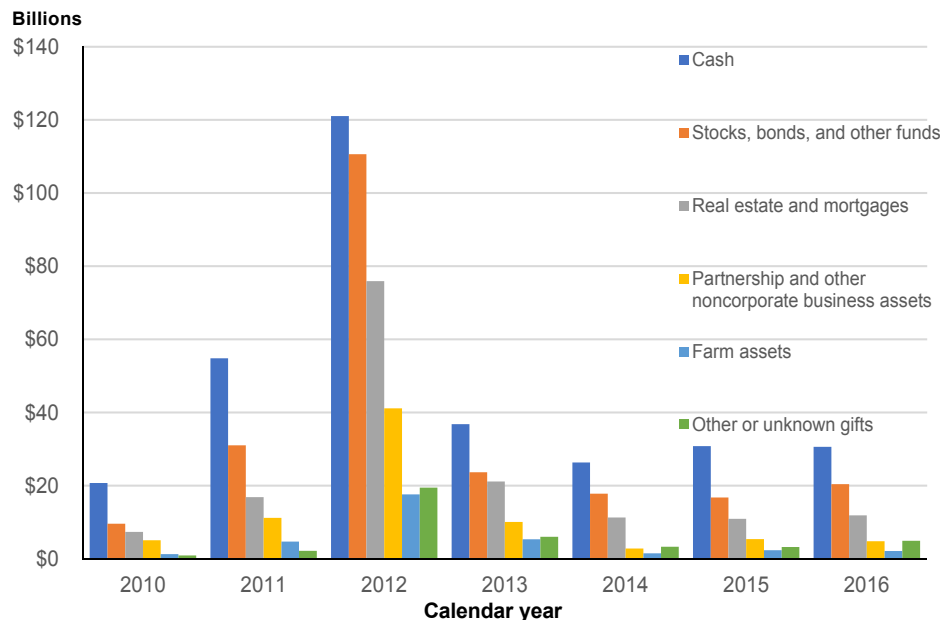
While there are many arguments for and against the transfer-tax system, the data show that very few taxpayers are ever subjected to paying gift taxes. Only a small percentage of Form 709 filers have any tax liability, especially since the expansion of the lifetime exemption beginning with gifts given in 2011 (see Table 1). The percentage of taxable returns decreased from 5.0 percent for gifts given in 2010 to an average of 1.1 percent in the following years. On average, the amount of taxes owed on gifts given from 2010 through 2016 was \$2.6 billion per year, of which more than 95 percent were paid by those giving more than \$1 million in gifts for any given year (Figure I).

### Summary

SOI collects data from Form 709 about the donors, donees, and gifts given. For 2010 through 2016, donors tended to skew slightly female and approximately half were married. Most donees were relatives of the donor, specifically their children and grandchildren. Generally, more gifts were given directly to the recipients rather than through trusts. Cash made up a majority of the value of gifts given every year, while stocks and real estate were the second and third most-given gifts by value. Almost all gift taxes paid in any given year were paid by donors

**Figure H**  
**Amount of Gifts Given, by Asset Type, Calendar Years 2010–2016**

[All figures are estimates based on samples]



NOTE: All money amounts are presented in 2016 dollars.

SOURCE: IRS, Statistics of Income Division, Form 709 Edited Study, September 2019.

The Form 709 Study tracks 30 types of assets. The main categories include:

- Cash
- Real estate
- Stocks
- Bonds
- Mixed objective / Mutual funds
- Insurance
- Business and partnerships
- Miscellaneous assets (art, farm assets, annuities and retirement plans)
- Other or unknown assets

**Figure I**  
**Amount of Gift Taxes Owed, Calendar Years 2010–2016**

[All figures are estimates based on samples]

Year	Amount of gift tax owed, all returns [1]	Total gifts of \$1 million or more	
		Amount of gift tax owed [1]	Percentage of total
	(1)	(2)	(3)
2010	\$5,469,015,612	\$5,094,475,456	93.2
2011	\$1,590,129,177	\$1,562,045,286	98.2
2012	\$4,326,336,050	\$4,271,907,529	98.7
2013	\$1,555,993,869	\$1,461,748,115	93.9
2014	\$1,775,827,812	\$1,686,112,532	94.9
2015	\$2,095,809,750	\$1,985,727,999	94.7
2016	\$1,730,760,217	\$1,591,994,912	92.0

[1] Presented in current dollars.

SOURCE: IRS, Statistics of Income Division, Form 709 Edited Study, September 2019.

with total gifts of more than \$1 million for that year. Tax law changes, especially the increased applicable credit and lifetime exemption amounts, may have accounted for the fluctuations in number of donors and total gifts given, especially for gifts given in 2012.

SOI publishes a statistical table each year on the gift tax returns filed, including information on the number of donors, amount of total gifts, deductions, credits, and net tax. These tables can be found here: <https://www.irs.gov/statistics/soi-tax-stats-total-gifts-of-donor-total-gifts-deductions-credits-and-net-gift-tax>.

## Data Sources and Limitations

The Form 709, *United States Gift (and Generation-Skipping Transfer) Tax Return*, edited study is an annual study based on a stratified random sample. Returns are selected during administrative processing (prior to any potential examination) and stratified by tax status (taxable or nontaxable) and size of total gifts. Tax status is determined by the amount of tax liability reported in Part 2, Line 15, of the return.

There are four strata of nontaxable returns and five strata of taxable returns, depending on the total amount of gifts reported in Part 4, Line 1, of the return. The sampling rates, which varied slightly for different years, were determined by the number of returns filed in each stratum each year; however, they followed the general rule that returns with higher-value total gifts were sampled at higher rates. Nontaxable returns with total gifts of less than \$100,000 were sampled at a rate of approximately 1 percent, increasing as the amount of total taxable gifts increased to a rate of approximately 100 percent for nontaxable returns with total gifts of \$1 million or more. For 2010, taxable returns with total gifts of less than \$100,000 were sampled at a rate of approximately 10 percent and the sampling rate increased to about 100 percent for taxable returns reporting gifts of \$1 million or more. In subsequent years, however, due to the decrease in the number of taxable returns, all taxable returns have been sampled at rates of nearly 100 percent.

Weights were applied, by strata, to each return in the sample to create population estimates. All weights were calculated by dividing the final population count by the final sample count for

each stratum. They were adjusted to account for missing returns and returns rejected from the final sample. Weights varied from year to year. Since the data presented in this article are estimates based on a sample of returns filed, they are subject to sampling error. To properly use the statistical data estimates provided, the magnitude of the potential sampling error must be known; coefficients of variation are used to measure that magnitude. Selected coefficients of variation and margins of error, which measure sampling error, are shown in Figure J and Figure K for returns filed for 2016.

**Figure J**  
**Coefficients of Variation for Selected Data Items, by Tax Status, Calendar Year 2016**

Item	All returns	Nontaxable returns	Taxable returns
	Coefficients of variation (percentage)		
	(1)	(2)	(3)
All returns filed	0.00	0.00	0.00
Female donors	1.81	1.83	0.54
Male donors	1.99	2.01	0.25
Total gift amount	0.93	0.93	3.32

SOURCE: IRS, Statistics of Income Division, Form 709 Edited Study, September 2019.

**Figure K**  
**Margins of Error for Selected Data Items, by Tax Status, Calendar Year 2016**

Item	All returns	Nontaxable returns	Taxable returns
	Margins of error (percentage)		
	(1)	(2)	(3)
All returns filed	+/- 0.00	+/- 0.01	+/- 0.59
Female donors	+/- 3.54	+/- 3.59	+/- 1.06
Male donors	+/- 3.89	+/- 3.94	+/- 0.46
Total gift amount	+/- 1.81	+/- 1.84	+/- 6.67

SOURCE: IRS, Statistics of Income Division, Form 709 Edited Study, September 2019.

## Selected Terms and Concepts

**Annual exclusion**—The amount that a donor can give to any single beneficiary, within a given tax year, without incurring Federal gift taxes. The number of donees is unlimited.

**Applicable credit**—A credit applied as a dollar-for-dollar reduction in both gift and estate taxes. The applicable (formally unified) credit represents the amount of tax on that part of gross estate that is below the filing requirement. The credit may be

used to offset gift taxes on lifetime transfers made after 1976. However, to the extent it is so used, the amount of credit available at death is reduced.

**Charitable deduction**—Completed, outright transfers to a qualifying charitable organization are deductible for the full amount of the transfer. Gifts given through a trust must meet various legal requirements for the donation to qualify for a charitable deduction.

**Lifetime exemption**—The total amount that a donor can give, either during life or at death, before owing any gift and/or estate tax.

**Marital deduction**—Gifts between spouses, either during life or at death, qualify the donor for an unlimited marital deduction for the full amount of the transfer. For spouses who are not U.S. citizens, transfers are subject to a statutory maximum for each year.

**Net tax on current period gifts**—Net tax is calculated as the tentative tax on current period gifts, less the applied applicable credit and applied foreign gift tax credits, which are credits allowed for gift taxes paid to other countries with which the U.S. has gift tax treaty provisions.

**Tax status**—Returns can be considered taxable or nontaxable, based on the amount of tax liability reported in Part 2, Line 15, of the return. Gift tax returns with a positive amount of liability reported are taxable returns; those with no liability reported are nontaxable.

**Taxable gifts**—The total amount of gifts reported in Schedule A of Form 709, minus the deductions for marital transfers, charitable gifts, and other gifts deemed nontaxable (e.g., gifts to a 529 plan) and after deduction of the annual exclusion amount for each donee.

**Trust**—An independent legal entity governed by a trust agreement, created when one party (known as the grantor or settler) transfers ownership of assets to the trust under the control of a trustee, for the benefit of a third-party beneficiary. Trusts can be either simple or complex. Simple trusts are those which are required to distribute all income in the tax year in which it is earned, which neither distribute nor reserve any money for charitable purposes, and which do not distribute amounts from the corpus of the trust. Complex trusts are those which are not, by definition, simple trusts.

*Jessica Holland is an economist with the Individual Tax-Exempt & Estate Tax Section. This article was prepared under the direction of Glenn Hentz, Chief, with technical review provided by Michael Strudler, Initiatives Manager.*

